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ABSTRACT

This guide is designed to provide the curriculum coordinator with a basis for planning a comprehensive program in the field of marketing as well as to provide marketing and distributive education teacher/coordinators with maximum flexibility in planning an industrial marketing curriculum. The guide was constructed by identifying the competencies needed by an entry-level industrial salesperson and validating them through interviews and surveys with professionals employed in various positions within different types of industrial firms. Validated competencies were clustered into 11 instructional areas and an instructional objective written for each cluster. These clusters are the following: advertising, communications, display, human relations, management, marketing/economics, mathematics, operations, product service technology, purchasing, and selling. The competency clusters are color-coded for convenience, and each competency contains suggested learning activities and references. Other components of this competency-based curriculum guide include information on careers in industrial marketing, a competency curriculum planning grid, blank sample competency worksheets for additional competencies identified on the local level, and a bibliography. (KC)

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# INDUSTRIAL MARKETING
## Curriculum Guide

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## FOREWORD

The MARKETING AND DISTRIBUTIVE EDUCATION CURRICULUM GUIDE FOR INDUSTRIAL MARKETING has been designed to provide the curriculum coordinator with a basis for planning a comprehensive program in the career field of marketing, and to allow marketing and distributive education teacher/coordinators maximum flexibility. A variety of suggested learning activities are provided to enable educators to determine which one(s) would best serve their teaching methods and students' needs. Complete bibliographical data for the references listed under each competency is presented in the introductory pages.

The Illinois State Board of Education is committed to assisting local communities in the development of quality instructional programs in order to prepare and upgrade persons for productive careers in the following fifteen instructional program areas in the marketing field: Advertising Services; Apparel and Accessories; Automotive-Petroleum; Finance and Credit; Food Marketing; Food Services; General Retail Merchandising; Hardware, Building Materials, Farm and Garden; Home Furnishings; Industrial Marketing; Lodging-Recreation and Tourism; Marketing Services (Agricultural Services, Business/Personal Services, Insurance, and Real Estate); Small Business Management; Transportation and Warehousing; and Wholesaling. Curriculum guides for all fifteen instructional program areas have been, or are in the process of being, developed.

Sincere appreciation is extended to industrial marketers, association members, industrial trainers, and educators in the state of Illinois who assisted in identifying, validating, and field-testing the competencies and learning activities presented in this curriculum guide, and those who served on the advisory committee for the project.

Donald G. Gill
State Superintendent of Education

MARKETING AND DISTRIBUTIVE EDUCATION
CURRICULUM GUIDE for INDUSTRIAL MARKETING

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Instructional Competencies Classified Into
Eleven Color-coded Instructional Areas . . . . . 1

| AREA | COLOR | PAGE |
|---|---|---|
| ADVERTISING | Blue | 1 |
| COMMUNICATIONS | Goldenrod | 21 |
| DISPLAY | Yellow | 59 |
| HUMAN RELATIONS | Buff | 71 |
| MANAGEMENT | Green | 93 |
| MARKETING/ECONOMICS | Blue | 119 |
| MATHEMATICS | White | 127 |
| OPERATIONS | Salmon | 131 |
| PRODUCT/SERVICE TECHNOLOGY | Yellow | 141 |
| PURCHASING | Pink | 159 |
| SELLING | Green | 197 |

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## HOW TO USE THE
## INDUSTRIAL MARKETING CURRICULUM GUIDE

This publication, MARKETING AND DISTRIBUTIVE EDUCATION CURRICULUM GUIDE FOR INDUSTRIAL MARKETING, was developed during the 1981-82 period of time. This guide has been designed to provide the curriculum coordinator with a basis for planning a comprehensive program in the field of marketing as well as to provide marketing and distributive education teacher/coordinators with maximum flexibility in planning an industrial marketing curriculum.

The essential competencies needed by an entry-level industrial salesperson were identified and validated through structured interviews and surveys with professionals employed in various positions within different types of industrial firms. Validated competencies were clustered and an instructional objective written for each cluster. A variety of learning activities were developed and a list of references provided for each competency. A field-test copy of the guide was printed and sent to educators, industry trainers, and professionals to be reviewed and tested. The guide was then revised to meet the needs reflected by the field test responses, and final copies printed for dissemination.

For maximum usefulness, the competencies have been color-coded into the following eleven instructional areas:

| INSTRUCTIONAL AREA | COLOR |
|---|---|
| Advertising | Blue |
| Communications | Goldenrod |
| Display | Yellow |
| Human Relations | Buff |
| Management | Green |

| | |
|---|---|
| Marketing/Economics | Blue |
| Mathematics | White |
| Operations | Salmon |
| Product/Service Technology | Yellow |
| Purchasing | Pink |
| Selling | Green. |

The competencies listed in the curriculum guide itself should be considered only as training suggestions and not as the complete curriculum. Individual student and community industry needs, as well as the judgment, experience, and opinions of educators, industry trainers and professionals, and advisory committee members, should determine the content of the curriculum on the local level, because training needs may vary from one geographical area or industry to another.

The loose leaf format of the guide is conducive to making additions. Additional competencies identified at the local level may easily be inserted into the guide at the appropriate place. Blank sample competency worksheets are included in this guide following the instructional areas.

The curriculum guides may be used in a number of different ways depending upon student and community needs, industry needs, community and business learning facilities and resources, comprehensiveness of the marketing and distributive education curriculum, prior competencies acquired by students/employees, trainers' teaching styles, students' ages and learning styles, and other similar factors.

The GENERAL MARKETING CURRICULUM GUIDE is the master publication in the curriculum guide series and should be studied carefully before using the other guides, as well as the CURRICULUM PLANNING GUIDE for the series. The purpose of the curriculum guide series is to prepare and upgrade persons for productive careers in fifteen instructional

program areas in the field of marketing.

Some teacher/coordinators will prefer to help students acquire the competencies listed in the General Marketing Curriculum Guide in lower grade level courses, such as Introduction to Marketing, and the more specialized competencies needed for employment in Industrial Marketing in the higher grade levels. Area vocational centers, community colleges, and other schools with specialized marketing and distributive education course offerings in the area of industrial marketing will find these curriculum materials especially easy to use. Instructors in schools without specialized course offerings will find the materials helpful as they individualize instruction based upon the career objectives of their students. Instructors for post-secondary and adult students will find the curriculum materials especially valuable for preparing individuals for entry-level industrial marketing positions. The competency-based approach to curriculum development and individualizing of instruction are viable approaches at all educational levels.

# INFORMATION ON CAREERS IN INDUSTRIAL MARKETING

## The Industrial Market

Although the consumer market is made up of people who purchase goods and services for their own personal use, the INDUSTRIAL MARKET is composed of organizations (including governmental agencies) that purchase goods and services to distribute, process, or use in manufacturing or distributing other goods and services.

The industrial market is large in terms of dollar sales and in terms of the number of industries that participate in the market. Roughly half of all the goods produced in the United States can be defined as industrial goods, and this percentage is even larger in the overseas industrial market.

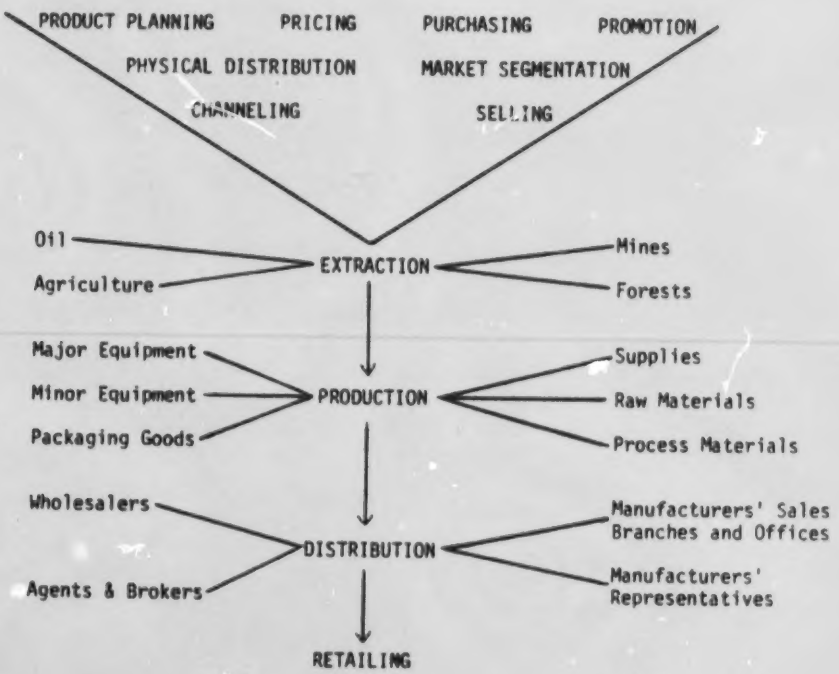
INDUSTRIAL BUYERS may be grouped into six major classifications: raw materials suppliers, manufacturing industries, construction industries, retail and wholesale industries, service industries, and local, state, and federal governments. Some features that distinguish industrial buyers include: they buy in much larger quantities and over a longer period of time than individual consumers; they normally employ full-time professional purchasing agents, who are trained to buy rationally; they often buy on the basis of specifications which are put out for bid; they may seek, or be required to seek, alternate sources of suppliers for various needs.

INDUSTRIAL MARKETING may be defined as the process of discovering and translating industrial customer wants, needs, expectations, and

requirements into product and service specifications, and then, through effective promotion, channeling, pricing, and after-sale servicing, convincing more and more customers to use and continue to use those products and services. This process is carried out through the efforts of manufacturers' representatives and sales outlets, functional middlemen, such as agents and brokers, and industrial wholesalers.

## Careers in Industrial Marketing

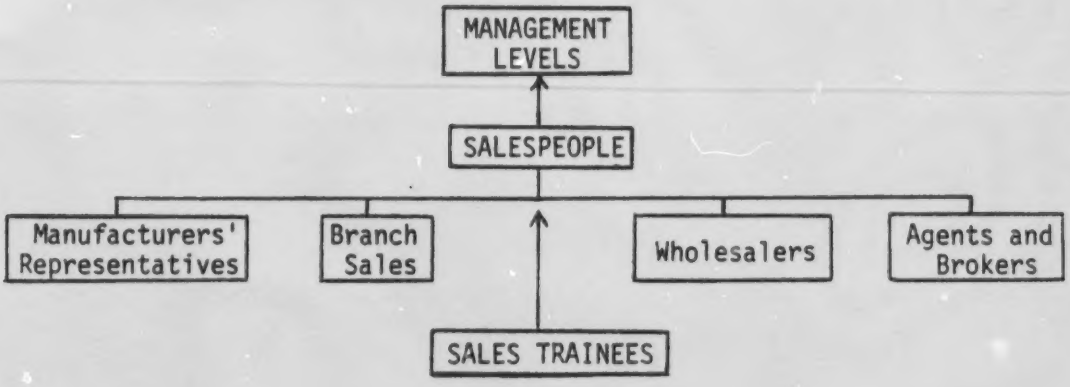
Industrial marketing encompasses multi-career opportunities in the field of business. Specifically, opportunities exist in the areas of product planning, pricing, physical distribution, purchasing, promotion, channels of distribution, and market segmentation as they relate to the marketing of goods and services to industrial firms, governments, and nonprofit institutions for use in producing other goods and services. Each area of opportunity is found at all levels of distribution as shown in the following schematic:



Industrial Sales

The most common entry-level marketing position in the field of industrial marketing is the beginning salesperson or sales trainee. The INDUSTRIAL SALESPERSON sells products to businesses, governmental organizations, and institutional customers, representing either the manufacturer or a distributor. The salesperson may be company-employed or independent, and may be compensated on a base salary or commission basis. The industrial salesperson must have considerable selling experience, and must be imaginative, agressive, and emotionally well-adjusted. S/he must be responsible, able to make fast decisions and manage time, be well informed about all the company's products (including their use and application), and must be familiar with company policies and prices. The industrial salesperson must also understand how the products will benefit prospects, and be able to present the product(s) creatively to buyers. S/he must be well educated and versed in business operations, so that advice and counsel can be offered to buyers. Extensive travel is usually required of an industrial salesperson, with the area covered as large as a 500-mile radius, a region, or the entire nation.

A general career ladder for the industrial salesperson follows:



Descriptions of sales jobs commonly found in industrial organizations are presented below. The number of these job titles will vary according to the size and specialization of the business. Therefore, all selling jobs described below may not be found in every organization. Some firms may combine the duties of several of these jobs into one selling job, and some firms may give different names to various jobs.

## Descriptions of Industrial Sales Jobs

SALES ENGINEER - A combination sales representative and qualified engineer who adapts the complex machinery, equipment, and electronic devices of the company to the special requirements of each business buyer who conducts training sessions on how to use the installations. S/he is primarily a problem solver rather than a seller of a standard product.

MANUFACTURER'S REPRESENTATIVE - An individual who makes personal contact between a manufacturer and his/her potential customers in a trading area. S/he represents the company on all matters--such as new products in development, training of customers' salespeople, and informing his/her employer of customer reactions--in addition to selling.

PIONEER SALESPERSON - An individual who specializes in promoting new products for a company. S/he sells to wholesalers, retailers, and other manufacturers.

DEALER-SERVICE SALESPERSON - An individual who is responsible for keeping dealers adequately stocked with the products they have already decided to carry. A dealer-service salesperson assists customers in reordering by checking their inventories at regular intervals. S/he develops retail promotions, seeks preferred floor space, presents new lines, and may also function as a pioneer salesperson.

ROUTE SALESPERSON - An assistant to a dealer-salesperson, a route salesperson visits each buyer regularly to check stocks and arrange displays. S/he relieves the dealer-salesperson of routine duties.

MISSIONARY SALESPERSON - A goodwill representative for a manufacturer who calls on those who buy the company's products from a wholesaler rather than from the manufacturer directly. S/he helps retailers promote the manufacturer's line more effectively so that they will reorder from the wholesaler.

MANUFACTURER'S AGENT - An individual who represents the sellers only. S/he operates on a commission basis and represents a limited number of principals with continuity. The manufacturer's agent sells only a portion of the producer's output and limits his/her activities to a certain geographical area.

SALES AGENT - An individual who operates in much the same manner as the manufacturer's agent, except that the sales agent usually sells to a given trade group wherever its members may be found and usually contracts to dispose of the entire output of the client/producer.

BROKER - An individual who has wide, up-to-the-minute, and detailed knowledge of a trade and its members. S/he is useful to the manufacturer of standardized goods, or goods that can be described by grade or trade designation, that finds itself with an excess supply of a commodity on hand--more than can be sold to usual customers within an economical storage period. The broker, with his/her specialized knowledge, is likely to know of some firm or firms willing to buy this excess. S/he is paid on a commission basis.

BRANCH OFFICE SALESPERSON - An individual who operates out of a manufacturer's branch house. S/he may serve customers who come to the branch house by providing information and advice, taking orders in person, or providing immediate service for emergency needs. S/he may also make personal calls on customers, using the branch house as a headquarters. A salesperson for a stock-carrying branch house may take orders and fill them immediately. A salesperson for a non-stock carrying branch house takes customers' orders and forwards them to the factory or home office to be filled.

GENERAL WHOLESALE SALESPERSON - A wholesaler's representative who persuades retailers to buy a considerable portion of their requirements from the wholesaler. S/he functions in much the same way as a manufacturer's representative.

MERCHANDISING SALESPERSON - A salesperson whose main duty is to give advice to retailers that will help them advertise and display the wholesaler's products more effectively.

Industrial Marketing Associations

For additional information on careers in industrial marketing, contact the appropriate association:

American Marketing Association
222 S. Riverside Plaza
Chicago, IL 60606

Direct Selling Association
1730 M. Street N.W.
Washington, DC 20036

American Management Association
135 W. 50th Street
New York, NY 10020

Industrial Management Council
12 Mortimer Street
Rochester, NY 14604

National Association of
Purchasing Management, Inc.
11 Park Place
New York, NY 10007

National Association of
Wholesaler-Distributors
1725 K. Street N.W.
Washington, DC 20006

Materials Marketing Associates, Inc.
P.O. Box 43 Shepard-Benning Bldg.
St. Joseph, MI 49085

Manufacturers' Agents National Assn.
2021 Business Center Drive
Irvin, CA 92713

Sales & Marketing Executives Intl.
380 Lexington Avenue
New York, NY 10017

Personnel in Industrial Relations Assn.
1730 West Olympic Blvd.
Los Angeles, CA 90015

National Purchasing Institute, Inc.
P.O. Box 20549
4189 Bellaire Blvd. #209
Houston, TX 77025

In addition, there are many other organizations relating to particular industries or products that may be contacted for specific information. Their addresses may be found in business directories located in most libraries.

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# COMPETENCY CURRICULUM PLANNING GRID

| INSTRUCTIONAL AREA AND COMPETENCY | COMPETENCY NUMBER | IND MKTG PAGE NO. |
|---|---|---|
| **ADVERTISING** | | |
| Know the functions that advertising performs for the industrial marketer. | 1417 | 1 |
| Understand the need for planning advertising objectives. | 1418 | 2 |
| Understand behavioral characteristics of the advertising audience. | 1419 | 3 |
| Define the target market. | 1420 | 4 |
| Tie in market research with advertising. | 1421 | 5 |
| Recognize, evaluate, and select appropriate media. | 1422 | 6 |
| Use rating services that provide data on industrial publications, such as Standard Rate and Data Services' Business Publication Section. | 1423 | 7 |
| Select and work with an advertising agency. | 1424 | 8 |
| Analyze and select effective copy and graphics. | 1425 | 9 |
| Identify, formulate, and provide advertising to meet the needs of channel components. | 1426 | 10 |
| Formulate, implement, and control advertising budgets. | 1427 | 11 |
| Recognize and eliminate waste in advertising. | 1428 | 13 |
| Evaluate advertising effectiveness. | 1429 | 14 |
| Coordinate advertising programs with sales, warehousing, transportation, and other operating departments. | 1430 | 16 |
| Effectively use advertising to support the sales force. | 1431 | 17 |
| Understand the basics of relevant federal and state legislation regarding advertising. | 1432 | 18 |
| Understand when and how to protect creative and identifying works, such as brand names, trademarks, educational materials, etc. | 1433 | 19 |
| **COMMUNICATIONS** | | |
| Be familiar with communication tools, devices, techniques, etc. | 1492 | 21 |
| Understand and use both formal and informal communication channels. | 1493 | 22 |
| Realize that effective communication is a function of a sound organization structure. | 1494 | 23 |
| Understand that standardization of forms facilitates economy, effectiveness, and professionalism in communications. | 1495 | 25 |
| Understand that truth, honesty, and high ethical standards are basic to sound business communication. | 1497 | 27 |
| Communicate firmly, politely, and professionally. | 1498 | 28 |
| Be direct and practical in communications. | 1499 | 28 |
| Listen objectively. | 1478 | 29 |
| Field questions in a sincere, courteous, and positive manner. | 1500 | 30 |
| Effectively negotiate policy matters with others. | 1501 | 31 |
| Communicate via the telephone in an effective, efficient, and professional manner. | 1502 | 32 |
| Use legible handwriting when preparing written communications. | 1401 | 33 |
| Respect the confidentiality of certain communications. | 1503 | 34 |
| Plan for effective communication. | 1504 | 35 |
| Prepare written reports, letters, etc., which are effective and easy to understand. | 1505 | 36 |

| INSTRUCTIONAL AREA AND COMPETENCY | COMPETENCY NUMBER | IND MKTG PAGE NO. |
|---|---|---|
| (COMMUNICATIONS) | | |
| Deliver effective, persuasive oral presentations. | 1506 | 38 |
| Speak fluently, enthusiastically, and use good grammar. | 1507 | 39 |
| Control distracting gestures and mannerisms. | 1508 | 41 |
| Assess whether or not the receiver understands the intended message. | 1509 | 42 |
| Identify relevant market informational needs. | 1510 | 43 |
| Select the most appropriate method for acquiring needed information. | 1511 | 45 |
| Know the basic attributes of marketing information systems. | 1512 | 46 |
| Know the available secondary information sources. | 1513 | 47 |
| Read, understand, and apply business reports: financial, statistical, sales analysis, market analysis, etc. | 1514 | 49 |
| Discern between meaningful and trivia-type information. | 1515 | 50 |
| Evaluate the appropriateness of acquired information. | 1516 | 50 |
| Understand the basics of sampling techniques. | 1517 | 51 |
| Formulate meaningful and purposeful questionnaires. | 1518 | 52 |
| Identify, evaluate, and select private research firms as needed. | 1519 | 54 |
| Understand the wide scope of computer data processing and sales programming. | 1520 | 55 |
| Evaluate and apply electronic data processing to specific marketing needs. | 1521 | 56 |
| Read and understand computer printouts. | 1522 | 57 |
| DISPLAY | | |
| Understand the benefits of trade shows. | 1554 | 59 |
| Organize, assemble, and present effective trade show displays. | 1555 | 61 |
| Assess the effectiveness of trade show participation. | 1556 | 62 |
| Understand the benefits of showroom displays. | 1557 | 64 |
| Design, organize, assemble, and set up effective showroom displays. | 1558 | 65 |
| Understand the benefits of catalogs. | 1559 | 66 |
| Design, organize, assemble, and distribute complete and easy-to-use catalogs. | 1560 | 67 |
| Evaluate the effectiveness of catalogs in service. | 1561 | 70 |
| HUMAN RELATIONS | | |
| Develop and maintain a professional and continuing rapport with clients, salespeople, and other business contacts. | 1537 | 71 |
| Effect harmonious relations with all channel components and facilitating agencies. | 1538 | 72 |
| Build sound working relationships in "forced" associations. | 269 | 74 |
| Interact socially and professionally with professional organizations, civic groups, and government agencies. | 1539 | 75 |
| Understand and apply high ethical standards. | 1540 | 76 |
| Feel a sense of obligation--or a conscience--toward other persons. | 1541 | 77 |

| INSTRUCTIONAL AREA AND COMPETENCY | COMPETENCY NUMBER | IND MKTG PAGE NO. |
|---|---|---|
| (HUMAN RELATIONS) | | |
| Accept criticism and turn it into a character-building element. | 295 | 78 |
| Overcome discouragement with perseverance. | 1542 | 79 |
| Recognize the need for and adjust to change. | 316 | 80 |
| Maintain an objective point of view in problem situations. | 284 | 82 |
| Disagree in a professional manner. | 1543 | 83 |
| Understand and accept that a professional appearance is necessary for business success. | 1544 | 84 |
| Achieve a proper balance among work, play, love, and spiritual values. | 1545 | 85 |
| Exemplify emotional stability and maturity. | 1546 | 86 |
| Be agressive and goal-oriented. | 1547 | 87 |
| Demonstrate initiative and creativity. | 296 | 88 |
| Be able to take charge and control situations. | 1548 | 90 |
| Learn how to apply intuition with discretion. | 1549 | 91 |
| Temper optimism with reality. | 1550 | 92 |
| MANAGEMENT | | |
| Know and understand the importance of establishing sound operational policies. | 1259 | 93 |
| Understand the importance of effective planning. | 1260 | 95 |
| Establish efficient time management habits. | 1261 | 97 |
| Organize personal travel in a way that saves time and minimizes costs. | 1262 | 99 |
| Read and understand city and state maps in order to plan travel. | 1263 | 99 |
| Know and understand the basic marketing variables and how they are interrelated. | 1264 | 101 |
| Know and understand the internal and external environments related to or affecting the marketing effort. | 1265 | 102 |
| Blend the marketing variables together to produce a total program of action. | 1266 | 103 |
| Coordinate marketing activities with other major functional areas. | 1267 | 104 |
| Formulate reasonable goals and objectives. | 1268 | 106 |
| Evaluate control measures and take action as necessary to achieve established goals and objectives. | 1269 | 108 |
| Identify and define problems. | 1270 | 109 |
| Generate, evaluate, and select alternative solutions and strategies to problems. | 1271 | 110 |
| Understand the decision-making process. | 1272 | 111 |
| Realize that common sense and good judgment are vital in decision making. | 1273 | 111 |
| Identify personnel needs. | 1274 | 112 |
| Know the techniques used in recruiting, training, and directing the needed personnel in the industrial marketing organization. | 1275 | 114 |
| Formulate performance objectives for employees, and execute periodic reviews of achievements. | 1276 | 115 |
| Prepare, maintain, and control budgets. | 1277 | 116 |
| Prepare pro forma financial statements. | 1278 | 117 |
| Realize the importance of attending and participating in professional meetings and conferences within the firm's respective industry. | 1279 | 118 |

| INSTRUCTIONAL AREA AND COMPETENCY | COMPETENCY NUMBER | IND MKTG PAGE NO. |
|---|---|---|
| **MARKETING / ECONOMICS** | | |
| Understand the workings of a market economy. | 1035 | 119 |
| Know the basic economic variables affecting price. | 1036 | 121 |
| Know and understand elasticity of demand and derived demand. | 1037 | 122 |
| Know the factors influencing market dynamics. | 1038 | 123 |
| Know the laws affecting industrial marketing activity. | 1039 | 124 |
| Identify, read, and understand relevant economic and financial resources. | 1040 | 125 |
| Identify and react to business trends. | 1041 | 125 |
| Evaluate, select, and apply the most appropriate economic indices to marketing planning. | 1042 | 126 |
| **MATHEMATICS** | | |
| Know and apply the basic principles of math to industrial marketing problems. | 1712 | 127 |
| Compute commissions and discounts for different channel members. | 1713 | 128 |
| Know and understand the computations of basic ratios needed in comparing performance achievements. | 1714 | 129 |
| **OPERATIONS** | | |
| Know and understand techniques involved in executing marketing plans and programs. | 1822 | 131 |
| Know and apply the procedures needed in preparing and submitting data for use in determining sales forecasts. | 1823 | 132 |
| Evaluate competitive marketing, pricing, and sales activities. | 1824 | 134 |
| Evaluate and select channels of distribution and specific distributors to best achieve predescribed objectives. | 1825 | 135 |
| Interpret, understand, evaluate, and recommend efficient and economical transportation modes and carriers. | 1826 | 137 |
| Understand lease agreements. | 1827 | 139 |
| **PRODUCT / SERVICE TECHNOLOGY** | | |
| Understand the general classifications of industrial products. | 1361 | 141 |
| Be able to use the SIC (Standard Industrial Classification System). | 1362 | 142 |
| Know and understand the different approaches to organizing for new product development. | 1363 | 143 |
| Know and understand the product development process. | 1364 | 144 |
| Understand the need for sound product policies. | 1365 | 146 |
| Prepare and administer product budgets. | 1366 | 147 |
| Know the basic idea-generating techniques. | 1367 | 148 |
| Know the basic steps involved in screening new-product ideas. | 1368 | 149 |
| Understand the reasons for test marketing new products. | 1369 | 151 |
| Formulate effective marketing strategies for new products. | 1370 | 152 |

| INSTRUCTIONAL AREA AND COMPETENCY | COMPETENCY NUMBER | IND MKTG PAGE NO. |
|---|---|---|
| (PRODUCT/SERVICE TECHNOLOGY) | | |
| Know why new products fail. | 1371 | 154 |
| Understand the need for replacing unprofitable products. | 1372 | 155 |
| Know how to protect new product innovations. | 1373 | 156 |
| Understand the need for close coordination with legal counsel in the development of new products. | 1374 | 156 |
| Know the different types of packaging materials. | 1375 | 157 |
| Evaluate and select the most suitable packaging. | 1376 | 157 |
| Evaluate and select the most appropriate product service program. | 1377 | 158 |
| Know the different methods via which products can be serviced. | 1378 | 158 |
| PURCHASING | | |
| Set meaningful and effective buying objectives. | 1601 | 159 |
| Formulate buying steps needed to achieve buying objectives. | 1602 | 160 |
| Effectively execute each buying step in the program. | 1603 | 160 |
| Measure and evaluate purchasing performance. | 1604 | 161 |
| Interpret, understand, and implement company buying policies and practices. | 1605 | 163 |
| Understand and apply specialized purchasing procedures, i.e., blanket orders. | 1606 | 164 |
| Understand and buy within legal boundaries. | 1607 | 165 |
| Understand the techniques of value analysis. | 1608 | 166 |
| Assess the feasibility of buying or making the product. | 1609 | 167 |
| Effectively secure price information. | 1610 | 168 |
| Prepare and implement competitive bidding programs. | 1611 | 170 |
| Understand and apply purchasing budgets. | 1612 | 173 |
| Identify and locate sources of supply. | 1613 | 174 |
| Objectively evaluate sources of supply. | 1614 | 175 |
| Anticipate needs and develop alternative sources of supply. | 1615 | 176 |
| Anticipate and plan for contingencies, i.e., strikes. | 1616 | 176 |
| Organize and maintain adequate purchasing files and records. | 1617 | 177 |
| Organize and administer effective inventory control systems. | 1618 | 179 |
| Understand the techniques of computing economic ordering quantities. | 1619 | 181 |
| Organize and administer effective receiving and inspection programs. | 1620 | 183 |
| Follow up and insure delivery as promised. | 1621 | 184 |
| Handle claims in a professional manner. | 1622 | 185 |
| Understand processes for disposing of scrap. | 1623 | 186 |
| Assess the economy. | 1624 | 187 |
| Anticipate potential economic problems and rank them by severity and probability. | 1625 | 187 |
| Understand forward buying, speculation, and commodity markets. | 1626 | 188 |
| Understand and adapt to different types of salespeople and different selling methods. | 1627 | 189 |
| Understand and show respect for the salesperson's position and time. | 1628 | 190 |

| INSTRUCTIONAL AREA AND COMPETENCY | COMPETENCY NUMBER | IND MKTG PAGE NO. |
|---|---|---|
| (PURCHASING) | | |
| Effectively negotiate with salespeople. | 1629 | 191 |
| Analyze and accept buying failures. | 1630 | 193 |
| Seek wisdom and skills to avoid repeating buying mistakes. | 1631 | 193 |
| Discipline self to read, study, and apply new buying techniques for professional growth. | 1632 | 194 |
| Effectively work with others in training new buyers. | 1633 | 195 |
| SELLING | | |
| Discriminate between different buyer types. | 1963 | 197 |
| Understand and relate to different types of buyers. | 1964 | 197 |
| Understand and react objectively to the buying process. | 1965 | 198 |
| Identify and react to buyer motives. | 1966 | 199 |
| Show respect for the buyer's position and time. | 1967 | 200 |
| Identify customer needs and problems. | 1968 | 201 |
| Effectively solve customer problems. | 1969 | 201 |
| Understand different selling methods in order to present the same idea in different ways. | 1970 | 202 |
| Understand the sales process. | 1971 | 203 |
| Arrange and present selling points that make for a complete presentation. | 1972 | 204 |
| Assemble and effectively use a sales portfolio. | 1973 | 205 |
| Understand and use visual selling tools. | 1974 | 207 |
| Formulate and apply meaningful and effective personal sales objectives. | 1975 | 208 |
| Formulate effective selling steps needed in achieving objectives. | 1976 | 209 |
| Effectively execute each selling step in the program. | 1977 | 209 |
| Measure and evaluate the success of each selling step. | 1978 | 210 |
| Interpret, understand, and implement company sales policies and practices. | 1979 | 211 |
| Understand and apply sales budgets. | 1980 | 212 |
| Understand and sell within legal boundaries. | 1981 | 213 |
| Complete necessary reports--sales, expenses, sales calls, etc. | 1982 | 214 |
| Understand and implement sales promotion programs. | 1983 | 216 |
| Effectively negotiate with buyers. | 1984 | 217 |
| Identify and relate to the buying influentials--those who influence the key decision maker in a sales situation. | 1985 | 218 |
| Interpret and respond to buying procedures of government and nonprofit agencies. | 1986 | 220 |
| Accept selling failures. | 1987 | 222 |
| Be able to analyze failures. | 1988 | 223 |
| Seek wisdom and skills to avoid repeating selling mistakes. | 1989 | 223 |
| Discipline self to read, study, and apply new selling techniques for professional growth. | 1990 | 224 |
| Effectively work with others in training new salespeople. | 1991 | 225 |

# Advertising

## Cluster Instructional Objective: UNDERSTAND THE IMPORTANCE OF PLANNING AN ADVERTISING PROGRAM IN INDUSTRIAL MARKETING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1417<br>Know the functions that advertising performs for the industrial marketer. | Discuss with students the following functions that advertising performs for the industrial marketer:<br>1) Creates a favorable climate for personal sales<br>2) Stimulates derived demand<br>3) Projects a favorable corporate image<br>4) Provides the most economical promotional mix<br>5) Reaches inaccessible buying influences<br>6) Reaches unknown buying influences.<br>Point out that industrial buyers rarely buy goods and services initially through advertising alone--Industrial marketing frequently requires personal selling. Therefore, the two components must be blended if sales are to be consummated. | Advertising and the Practice of Marketing - Chapters 1, 2<br><br>Advertising: Planning, Implementation and Control Chapter 1<br><br>Advertising in the Marketplace Chapter 1<br><br>Advertising: Its Role in Modern Marketing Chapters 1, 3<br><br>Advertising Concepts and Strategies - Chapter 21<br><br>Industrial Marketing Management Chapter 10<br><br>Industrial Marketing Chapter 20<br><br>Industrial Marketing Strategy - Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1418 | Have each student choose one of the above functions and elaborate, through a written report, on how it aids the industrial marketer. Select several students to present their reports to the class.<br><br>Locate articles in Advertising or Industrial Marketing journals that explain how an advertising campaign performed one or more of the above functions. Discuss them in a class session. | |

# Advertising

## Cluster Instructional Objective: UNDERSTAND THE IMPORTANCE OF PLANNING AN ADVERTISING PROGRAM IN INDUSTRIAL MARKETING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1418<br>Understand the need for planning advertising objectives. | Discuss with students the need for planning advertising objectives -- so that messages, media selection, and selling effort can accomplish what is intended. Bring out in the discussion what would possibly happen if firms failed to set objectives designed to meet specific goals.<br>Examples of students' answers should be:<br>loss of profits, missed targets,<br>poor timing, etc. | Advertising: Its Role In Modern Marketing<br>Chapters 11, 16<br><br>Advertising in the Marketplace<br>Chapter 12<br><br>Industrial Marketing<br>Chapter 20<br><br>Industrial Marketing for Results - Chapter 15<br><br>Advertising and the Practice of Marketing - Chapter 3<br><br>Advertising: Concepts and Strategies<br>Pages 11-12; Chapter 7<br><br>Advertising: Planning Implementation, and Control<br>Chapter 10<br><br>Industrial Marketing Strategy<br>Chapter 10 |
| | Obtain, if possible, actual advertising objectives and goals from a local industrial marketing firm. Have students compare these samples to determine how the objectives will meet the specified goals. Students should also determine how each objective was formulated. | |
| OTHER CLUSTER COMPETENCIES:<br><br>1417 | Provide students with a list of goals typical of an industrial firm's advertising program. Have each student write a detailed objective statement which delineates how the goal will be achieved.<br>Example:<br>To increase awareness of product attribute X from its present level of 20% to 30% among wholesalers and industrial buyers.<br>Objectives should be evaluated to determine if they are specific, actionable, and achievable. | |

# Advertising

## Cluster Instructional Objective: USE MARKET RESEARCH DATA TO PLAN INDUSTRIAL MARKETING ADVERTISING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1419<br>Understand behavioral characteristics of the advertising audience. | Discuss with students the idea that industrial marketers must understand behavioral attributes of their audience in order to know how and why buyers make purchasing decisions, to predict purchase behavior, and to design advertising campaigns that will result in purchases. Bring into the discussion some audience characteristics of which industrial marketers must be aware: buyers are more technically qualified and professional; there are typically more men than women buyers; buying decisions are often made by a committee; buying motives are more structured (based on factors such as specifications, vendor analysis, and cost effectiveness).<br><br>Bring several industrial advertisements to class for students to study. Each student should devise a list of behavioral characteristics possessed by the audience to which each advertisement was directed. Students should then share their list with other students for comparison and discussion of the features of each ad that would appeal to each audience. | Industrial Marketing<br>Chapter 4<br><br>Advertising: Its Role in Modern Marketing<br>Chapter 12<br><br>Advertising in the Marketplace<br>Chapter 12<br><br>Advertising: Planning, Implementation, and Control<br>Chapter 5<br><br>Advertising: Concepts and Strategies<br>Chapter 5<br><br>Advertising and the Practice of Marketing - Chapter 5<br><br>Advertising<br>Chapter 13<br><br>Industrial Marketing Management<br>Pages 12-13 |
| OTHER CLUSTER COMPETENCIES:<br><br>1420<br>1421 | | |

# Advertising

## Cluster Instructional Objective: USE MARKET RESEARCH DATA TO PLAN INDUSTRIAL MARKETING ADVERTISING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1420<br>Define the target market. | Discuss with students the definition of a target market, citing several examples. Also discuss the process involved in determining the target market for a particular product in industrial marketing:<br>1) Describe the geographic location of prospects, usually in terms of regions defined by the U.S. Bureau of Census.<br>2) Specify the type of business in which the prospect firm is engaged, usually in terms of Standard Industrial Classifications.<br>3) Define the size and/or volume of the prospect business in terms of sales volume, number of employees, or assets.<br>4) Describe the characteristics of the person or persons who are influential in the purchasing decision, including job title, function, and demographic characteristics. | Advertising: Its Role In Modern Marketing Chapter 13<br><br>Advertising and the Practice of Marketing Chapter 16<br><br>Advertising: Concepts and Strategies - Chapter 5<br><br>Advertising: Planning, Implementation, and Control Chapter 7<br><br>Industrial Marketing for Results - Chapter 2<br><br>Industrial Marketing Strategy Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1419<br>1421 | Assign each student different pairs of products with similar attributes, such as a sports car and station wagon, and have each student write a detailed explanation of how s/he would determine the target market for each. Students should also prepare and present to the class an oral report describing the target market they identified for each product, and explaining why they are different. (The cars should be used for an obvious example, but students should be given industrial products for their projects.) | |

# Advertising

## Cluster Instructional Objective: USE MARKET RESEARCH DATA TO PLAN INDUSTRIAL MARKETING ADVERTISING.

### Competency

1421
Tie in market research with advertising.

OTHER CLUSTER COMPETENCIES:

1419
1420



### Suggested Learning Activities

In a class discussion, point out that prior to advertising any product, the needs of the market must be delineated in order for advertising appeals to be consistent with those needs. This may be accomplished by analyzing market research dealing with such areas as market growth, seasonal sales, forecasting, geographic variation, and competitive situations.

Have each student locate and review an article in a publication such as "Advertising Age" in which market research had a major impact on the advertising campaign for a particular product. Students should prepare a written summary of the article, stating how market research aided the advertiser in that situation.

Provide students with case problems in which market research must be consulted in order to make an informed decision regarding an advertising campaign. Students should state which research techniques they would utilize in reaching that decision.

Have each student select an advertisement in an industrial trade publication and prepare a list of the kinds of market research data the advertiser might have needed in order to develop the advertisement and how/where that data might be obtained.

### References

Advertising in the Marketplace
Chapter 9

Advertising: Planning, Implementation, and Control
Chapter 9

Advertising: Concepts and Strategies - Chapter 5

Advertising and the Practice of Marketing - Chapters 6, 21

Advertising
Chapter 14

Industrial Marketing Strategy - Chapter 10

# Advertising

## Cluster Instructional Objective: EFFECTIVELY SELECT ADVERTISING MEDIA TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1422<br>Recognize, evaluate, and select appropriate media.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1423<br>1424 | Discuss with students the various types of media which may be considered for a particular advertising campaign:<br>1) Print media (newspapers and trade magazines)<br>2) Broadcast media (radio and television)<br>3) Direct and specialty media (direct mail)<br>4) Outdoor and directory media (billboards and yellow pages).<br>Include in the discussion advantages and disadvantages of each specific medium which should be considered, such as circulation, audiences, cost, the match of media to target market and stated objectives, etc.<br><br>Invite a representative from a local industrial firm, who is knowledgable in the process of media selection, to speak to the class on how s/he evaluates and selects appropriate media for the advertising his/her firm engages in. Students should prepare a written summary of the speech, including their reactions, to turn in for evaluation.<br><br>Have each student choose a product with a previously defined target market and evaluate the various media in order to select one which would be most appropriate for that product. Students should present a summary of their evaluation process and the medium they selected to the class. | Advertising: Its Role in Modern Marketing<br>Part 5<br><br>Advertising in the Marketplace<br>Chapters 6, 8<br><br>Industrial Marketing Management<br>Chapter 10<br><br>Advertising: Planning, Implementation, and Control<br>Chapters 12-15<br><br>Advertising<br>Part 4<br><br>Advertising and the Practice of Marketing - Part 6<br><br>Industrial Marketing Strategy - Chapter 10 |

# Advertising

## Cluster Instructional Objective: EFFECTIVELY SELECT ADVERTISING MEDIA TO PROMOTE INDUSTRIAL PRODUCTS.

### Competency

1423
Use rating services that provide data on industrial publications, such as Standard Rate and Data Services' Business Publication Section.

OTHER CLUSTER COMPETENCIES:

1422
1424



### Suggested Learning Activities

Discuss with students how rating information, such as the business publications section of the monthly catalog published by Standard Rate & Data Service, may be utilized to aid advertisers in industrial marketing. If possible, obtain and bring to class a copy of the Standard Rate and Data Service (SRDS) publication and explain to students how one would locate needed data. Point out information such as advertising rates, issue and closing dates, circulation, and territorial distribution.

Using the SRDS listing for an industrial trade publication such as Hardware Age or Electrical News, have each student identify the following information:

1) the maximum discount shown
2) the difference in cost between black and white and color pages
3) the premiums for bleed pages
4) the policy for pricing covers
5) method of printing
6) closing dates.

Provide students with problems in which an industrial manufacturer is attempting to expand its distribution. The problems should include a specified manufacturing area, budget, target market, and media objectives. Using a copy of Standard Rate and Data Services Business Publications Rates and Data, make a list of possible publications which might be used for this media program.

### References

Industrial Marketing Management
Chapter 10

Advertising: Concepts and Strategies - Chapter 12

Advertising and the Practice of Marketing - Chapter 17

Advertising
Chapters 17-19

Advertising: Planning, Implementation, and Control
Chapters 12, 13

Advertising in the Marketplace
Chapter 6

Advertising: Its Role in Modern Marketing
Chapter 26

Industrial Marketing for Results - Chapter 15

# Advertising

## Cluster Instructional Objective: EFFECTIVELY SELECT ADVERTISING MEDIA TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1424<br>Select and work with an advertising agency. | Explain to students the functions of an advertising agency, and why an industrial marketing firm might choose to engage the services of an agency rather than rely on the services of the firm's advertising department. Some typical functions of an agency are: plan objectives, strategies, and budgets; plan and prepare copy; arrange and produce ads; select media; conduct research; and create sales promotions.<br><br>Discuss with students the importance of establishing an objective approach to the selection of an advertising agency. Point out the following factors to be considered:<br>1) quality of performance<br>2) expertise of personnel<br>3) progressiveness of management<br>4) compensation<br>5) ancillary services provided<br>6) size and facilities.<br><br>After reading one or more of the resources, students should prepare a written report which explains how an industrial firm can successfully work and maintain a good relationship with an advertising agency.<br><br>Have each student choose one product to be advertised. Students should write a detailed explanation of how each functional area of an advertising agency would contribute to the product's advertising and promotion. | Industrial Marketing<br>Pages 359-362<br><br>Advertising: Its Role in Modern Marketing<br>Chapter 8<br><br>Advertising in the Marketplace<br>Pages 81-90<br><br>Advertising: Planning, Implementation, and Control<br>Chapter 3<br><br>Advertising<br>Chapter 7<br><br>Advertising: Concepts and Strategies - Chapter 10<br><br>Advertising and the Practice of Marketing - Chapter 2 |
| OTHER CLUSTER COMPETENCIES:<br><br>1422<br>1423 | | |

# Advertising

## Cluster Instructional Objective: PREPARE EFFECTIVE ADVERTISING TO PROMOTE INDUSTRIAL PRODUCTS.

### Competency

1425
Analyze and select effective copy and graphics.

OTHER CLUSTER COMPETENCIES:

1426



### Suggested Learning Activities

Discuss with students the purposes of copy and graphics in advertisements:

1) to elaborate on the headline idea
2) to heighten the reader's interest and desire
3) to offer proof in the form of facts and information
4) to get the prospect to take action.

Include in the discussion the importance of copy and graphics working together to accomplish the advertising objective.

Explain to students that copy may be divided into several classifications that aid an advertiser in preparing ads which satisfy the objectives of the advertising programs. In order to analyze and select effective copy, one must be able to recognize the category into which copy falls. Some common classifications of copy are: endorsement, humorous, descriptive, testimonial, dialogue, narrative, comparative, and special-incentive. It should be noted that some copy falls into more than one classification.

Have students bring to class several advertisements from industrial trade journals (or other sources) which contain both copy and graphics. Students should analyze the ads to determine the following:

1) Is the copy interesting? specific? simple? concise? believable? persuasive?
2) Is the language relevant?
3) Into what category(ies) does the copy fall?
4) Do the graphics and copy harmonize?

### References

Advertising: Its Role in Modern Marketing
Chapters 17-21

Getting Your Message Across
Chapter 18

Advertising in the Marketplace
Chapters 14-16

Advertising
Part 5

Advertising: Concepts and Strategies - Chapters 16, 18

Advertising and the Practice of Marketing - Part 5

# Advertising



## Cluster Instructional Objective: PREPARE EFFECTIVE ADVERTISING TO PROMOTE INDUSTRIAL PRODUCTS.

### Competency

1426
Identify, formulate, and provide advertising to meet the needs of channel components.

OTHER CLUSTER COMPETENCIES:

1425



### Suggested Learning Activities

Discuss with students the definition of channel components and their function in industrial marketing. Point out the various types of distribution outlets available to industrial manufacturers (distributors, wholesalers, manufacturer's branch houses and branch offices, manufacturer's agents, sales agents, and brokers) and the characteristics of each.

Explain to students that in order for advertising to aid the channel components in selling the manufacturer's goods, the manufacturer must first study the distributors' sales problems and methods and the buying motives and practices of their customers to know what material will be useful in selling, and in what form. Next, the manufacturer must show the distributors how to use the advertising in their selling work and "sell" them on using it. This can be accomplished by:

1) mentioning the local outlet's name in advertisements.
2) supply tear sheets of future ads to the outlet's management.
3) periodically supply the names of consumers in the outlet's geographic territory being reached by the manufacturer's advertising efforts.

Assign each student a different type of channel component and an industrial product. S/he should describe an advertisement which would aid that type of outlet in selling the product. Students should also bring to class several advertisements that were designed to aid their assigned type of channel component, and share these with other students.

### References

Advertising: Its Role in Modern Marketing
Chapter 30

Industrial Marketing
Part 5; Page 348

Advertising: Concepts and Strategies - Pages 151-3

Industrial Marketing Management
Chapter 8

# Advertising

## Cluster Instructional Objective: USE SUITABLE ACCOUNTING PROCEDURES TO MONITOR ADVERTISING SPENDING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1427<br>Formulate, implement, and control advertising budgets. | Discuss with students the various methods which may be used to formulate an advertising budget:<br>1) Function-of-Sales<br>2) Competitive Parity/Share of Advertising<br>3) Affordable<br>4) Objective or Task<br>5) Breakeven<br>6) Quantitative Model<br>After explaining each method, discuss with students factors that would cause an industrial firm to choose one of these methods over the others.<br><br>Lead a class discussion regarding factors which should be considered in setting a budget:<br>1) the product life cycle<br>2) the budget cycle<br>3) corporate, marketing, and advertising objectives<br>4) what the competition is doing<br>5) the acceptable degree of risk<br>6) the quality of the campaign<br>7) affordability<br>8) contingency planning.<br>Students should offer their ideas about how each factor contributes to budget implementation.<br><br>Divide students into groups and have each visit a local industrial firm's advertising department to review an actual advertising budget and determine<br><br>(Continued on next page.) | Advertising: Its Role In Modern Marketing.<br>Chapter 14<br><br>Advertising in the Marketplace<br>Chapter 10<br><br>Advertising and the Practice of Marketing<br>Chapter 7<br><br>Advertising: Concepts and Strategies - Chapter 8, page 54<br><br>Advertising<br>Chapter 12<br><br>Advertising: Planning, Implementation, and Control<br>Chapter 11<br><br>Industrial Marketing Strategy - Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1428 | | |

# Advertising

## Cluster Instructional Objective: USE SUITABLE ACCOUNTING PROCEDURES TO MONITOR ADVERTISING SPENDING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1427 (Cont.) | techniques used to formulate, implement, and control that budget. Students should share their findings with the class.<br><br>Provide students with information necessary for preparing an advertising budget. Have each student choose one of the methods discussed in the first activity and formulate a budget. Students should also write a detailed description of techniques they would use to implement and control their budgets. | |

# Advertising

## Cluster Instructional Objective: USE SUITABLE ACCOUNTING PROCEDURES TO MONITOR ADVERTISING SPENDING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1428<br>Recognize and eliminate waste in advertising. | Discuss the importance of developing an ad campaign that will achieve the goals or objectives of the organization in order to eliminate waste. Discuss the importance of reaching the appropriate target market through the utilization of correct media. For example, should a particular product be advertised in trade magazines? If so, should regional and/or national magazines be utilized? Also, point out the need to understand the concepts of reach and frequency in order to recognize and eliminate waste.<br><br>Provide case studies for students to read and discuss in which an industrial organization is wasting advertising dollars in a particular campaign. Have students identify the wasted exposure and outline the steps that should be taken to eliminate this waste. | Advertising in the Marketplace<br>Chapter 12<br><br>Advertising: Its Role in Modern Marketing<br>Chapter 25<br><br>Industrial Marketing Strategy - Pages 232-3 |
| OTHER CLUSTER COMPETENCIES:<br><br>1427 | | |

# Advertising



## Cluster Instructional Objective: EVALUATE THE INFLUENCE ADVERTISING HAS ON SALES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1429<br>Evaluate advertising effectiveness. | Explain to students that the main purposes of evaluating the effectiveness of advertising are to determine if the objectives were met, and to determine the optimum creative strategy to achieve communication goals. This is important because advertising is often a significant expense in the marketing budget. Elements that should be included in the evaluation are: the budget, media, the creative program, and the total advertising plan. | Advertising: Its Role In Modern Marketing Chapter 15<br><br>Industrial Marketing Management Chapter 10<br><br>Industrial Marketing Chapter 20<br><br>Industrial Marketing Strategy Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1430<br>1431 | Discuss with students the various tests that may be used to evaluate advertising effectiveness, pointing out that advertising may be pretested and/or post-tested. Pretests that may be used are: attitude tests, recall tests, laboratory tests, portfolio tests, and simulated or limited-media tests. Post-tests include: awareness measures, and action measures. Each test should be discussed in detail, including advantages and disadvantages.<br><br>Have each student select an advertisement from a current publication and suggest the kinds of pre-testing and post-testing that could be done for it. Students should share their suggestions in a class discussion.<br><br>(Continued on next page.) | Advertising: Planning, Implementation, and Control Chapters 21-23<br><br>Advertising and the Practice of Marketing - Chapter 22<br><br>Advertising: Concepts and Strategies - Chapter 8<br><br>Advertising Chapter 15<br><br>Advertising in the Marketplace Chapter 9 |

# Advertising

## Cluster Instructional Objective: EVALUATE THE INFLUENCE ADVERTISING HAS ON SALES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1429 (Cont.) | Divide students into small groups and have each group devise a list of questions an advertising manager should ask when conducting an effectiveness evaluation for the budget, the media program, the creative program, and the total advertising plan.<br>EXAMPLES:<br>Was the budget expended according to the plan?<br>Would an alternative media approach yield better results?<br>Students should also suggest ways a manager could obtain answers to these questions. | |

# Advertising



## Cluster Instructional Objective: EVALUATE THE INFLUENCE ADVERTISING HAS ON SALES.

### Competency

1430
Coordinate advertising programs with sales, warehousing, transportation, and other operating departments.

OTHER CLUSTER COMPETENCIES:

1429
1431

### Suggested Learning Activities

Discuss with students the need to coordinate the advertising department with other operating departments; point out that if a big promotional thrust is planned for a particular product, the advertising department must be sure that there is enough warehouse space to handle the expected increase in inventory, that transportation schedules will allow timely delivery, that the sales force can make needed sales calls, etc.

Discuss formal/informal communication (see Communications competency #1493) and its role in the coordination of advertising with other departments. Explain that, with formal communication, a liason person is often utilized. Have students give examples of when and how each method of communication might be used in the coordination process, as well as problems that could arise from using them.

Provide case problems dealing with a lack of coordination among advertising and other departments which result in a difficult situation, i.e., no warehouse space, no drivers to deliver product. After reading the cases, students should prepare a written explanation of why the difficulty occurred and how it could have been prevented through proper coordination.

### References

Advertising
Chapter 8

Advertising: Planning, Implementation, and Control
Chapter 2

Industrial Marketing Management
Chapter 10

# Advertising

## Cluster Instructional Objective: EVALUATE THE INFLUENCE ADVERTISING HAS ON SALES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1431<br>Effectively use advertising to support the sales force. | Discuss with students the ways advertising can be used to support the sales force:<br>1) to prepare prospective customers by informing them of new products, explaining the company's position in the industry, etc.<br>2) to reach personnel inaccessible to salespeople<br>3) to overcome prejudices and build prestige.<br>Point out that since the cost of each personal sales call is high, advertising must be utilized to inform the customers about the company and its product before the personal sale call. | Advertising: Its Role in Modern Marketing<br>Pages 664-5<br><br>Industrial Marketing for Results - Chapter 15<br><br>Advertising: Concepts and Strategies - Pages 154-5<br><br>Industrial Marketing<br>Pages 346-7<br><br>Sales Management<br>Chapter 8<br><br>Industrial Marketing Strategy - Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1429<br>1430 | Choose two students from the class to participate in a role-playing situation in which a salesperson calls on a purchasing agent who knows nothing about the salesperson, his/her company, or its products. (The two participants should be briefed about the dialogue.) Other students should observe the role-playing activity, and afterward, all students should give their opinions on how the use of advertising could have helped avoid this situation.<br><br>Have students bring to class advertisements from industrial trade journals. Students should prepare a written critique of each ad, explaining how the ads' components could aid the sales force. | |

# Advertising



## Cluster Instructional Objective: UNDERSTAND THE LEGAL ASPECTS OF ADVERTISING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1432<br>Understand the basics of relevant federal and state legislation regarding advertising.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1433 | Discuss state and federal legislation of which advertisers in industrial marketing need to be aware, including the Sherman Antitrust Act, the Clayton Act, the Robinson-Patman Act, and the Wheeler-Lea Act. Also discuss the various regulatory agencies that have an impact on advertising, such as the Federal Trade Commission and the Federal Communications Commission.<br><br>Have students read and discuss several case histories in which advertising was found to be in conflict with state or federal regulations. Have students suggest how they would decide each case, specifying the regulations governing the actions. Afterward, reveal to students the actual decisions that were handed down for each case, and have students suggest alternative measures that could have been taken to prevent the conflict.<br><br>Have students select several advertisements they feel could be considered deceptive and/or unsubstantiated and identify the specific legislation which applies to it. | Advertising: Concepts and Strategies - Chapter 4<br><br>Advertising: Planning, Implementation, and Control Chapter 24<br><br>Advertising and the Practice of Marketing - Chapter 23<br><br>Advertising: Its Role in Modern Marketing Chapter 7 |

# Advertising

## Cluster Instructional Objective: UNDERSTAND THE LEGAL ASPECTS OF ADVERTISING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1433<br>Understand when and how to protect creative and identifying works, such as brand names, trademarks, educational materials, etc. | Discuss with students the importance (to a manufacturer's products) of identifying marks, such as brand names, corporate or store names, and trademarks. Explain the protection given to these marks under the Lankam Trademark Act of 1947, pointing out that it may be wise for some firms to obtain legal counsel to assure that all protective measures have been taken.<br><br>Given a new piece of equipment for a particular industrial area, such as warehousing, have students identify the steps to be taken to protect the rights to the equipment. Students should also speculate about what might happen if these steps were not taken. | Advertising: Its Role in Modern Marketing<br>Chapters 7, 17<br><br>Advertising and the Practice of Marketing - Chapter 9<br><br>Advertising: Concepts and Strategies - Chapter 6<br><br>Foundations of Marketing<br>Chapter 8<br><br>Fundamentals of Marketing<br>Chapter 10<br><br>Marketing: An Integrated Approach - Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1432 | After reading selected references, have students provide written answers to the following questions:<br>1) What is a trade name? a brand name? a service mark? a certification mark? a trademark?<br>2) Why should trademarks be registered?<br>3) Under what conditions can a trademark be registered?<br>4) What steps should be taken to protect a trademark?<br><br>(Continued on next page.) | |

# Advertising



## Cluster Instructional Objective: UNDERSTAND THE LEGAL ASPECTS OF ADVERTISING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1433 (Cont.) | Explain to students that the importance of protecting identifying marks, becomes evident when the number of trademark cases decided in U.S. Courts each year is realized. Have each student research a recent trademark court case and report the decision in class. | |

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# Communications

## Cluster Instructional Objective: UNDERSTAND THE BASIC PRINCIPLES OF BUSINESS COMMUNICATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1492<br>Be familiar with communication tools, devices, techniques, etc. | Discuss with students the various means of business communication, including letters, memos, reports, guide and form letters, meetings, speeches, training sessions, personal interviews, typewriter, telephone, dictation equipment, word processing equipment, data processing equipment, etc. Point out some of the characteristics that make one medium preferable to others in given situations: speed, feedback, whether or not a permanent record of the message is needed, message intensity and complexity, formality, audience expectations, and cost.<br><br>Have students recall experiences they have had where an inappropriate medium or tool was used to convey an important message to them, and describe what happened in the form of a short case or critical incident description. Students should also indicate a medium better suited for each situation, explaining their reasons for that choice.<br><br>Provide case problems portraying business situations in which a message must be communicated. Students should choose the best medium and/or tool to convey the communication in each situation, and defend their choice. | Managerial Communication<br>Chapter 4<br><br>Communicating in Business<br>Chapter 11<br><br>Communication for Management and Business - Chapter 14<br><br>Communication for Business and the Professions - Chapter 19<br><br>Effective Communication in Business - Chapters 6, 7<br><br>Getting your Message Across<br>Chapter 19<br><br>Introduction to Business Communication - Chapter 16<br><br>Business Communication<br>Chapter 16<br><br>Effective Communication of Ideas<br>Chapter 4<br><br>Applied Business Communication<br>Part III; Chapter 21 |
| OTHER CLUSTER COMPETENCIES:<br><br>1493<br>1494<br>1495 | | |

# Communications



## Cluster Instructional Objective: UNDERSTAND THE BASIC PRINCIPLES OF BUSINESS COMMUNICATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1493<br>Understand and use both formal and informal communication channels.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1492<br>1494<br>1495 | Explain to students that communication networks, both formal and informal, exist within all organizations. Have them identify types of formal communications and whether each type is more appropriate for horizontal or vertical communication. Discuss the informal network, or "grapevine" and its advantages and disadvantages. Point out that the grapevine can be effectively used by management to:<br>1) disseminate information that should not be sent over official channels<br>2) collect critical feedback that is not available through official channels<br>3) provide rapid clarification for official messages that haven't been well received or understood.<br><br>Discuss common communications that must be sent in business and whether each is best sent through the formal or informal channel of the organization. Ask students to imagine what can happen if the wrong channel is used--the effects on company reputation, employee morale, personal feelings, etc.<br><br>Provide a list of business communications and corresponding paragraphs describing the situation, sender, and receiver(s) of each communication. Students should determine the proper channel in which to send each message and defend their choices. | Communication for Business and the Professions - Chapter 2<br><br>Successful Communication in Business - Chapter 19<br><br>Getting Your Message Across Chapter 15<br><br>Communication at Work: Writing and Speaking - Chapter 1<br><br>Understanding and Using Communication in Business Chapter 11 |

# Communications

## Cluster Instructional Objective: UNDERSTAND THE BASIC PRINCIPLES OF BUSINESS COMMUNICATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1494<br>Realize that effective communication is a function of a sound organization structure. | Show students sample organizational charts of large firms. Discuss the importance of the chain of command structure of an organization and how that structure facilitates communication by establishing lines of authority and responsibility and who reports to whom. Stress what would happen if duties were not assigned to specific people, employees bypassed their immediate supervisor to "go straight to the top" with their comments or complaints, etc.<br><br>Have students define "downward," "upward," and "horizontal" communication and identify several examples of each. Definitions should be similar to the following:<br><br>downward communications - all official messages that go from superiors to subordinates in the organization. Examples: job descriptions, instructions, company magazines, etc.<br><br>upward communications - all messages that flow from employees to supervisors, used as the basis for management decision-making. Examples: reports, staff meetings, employee suggestions, etc.<br><br>horizontal communications - the flow of messages among people of equal status in the organization heirarchy, for purposes of coordination, problem solving, and conflict resolution. Examples: meetings, reports, memos, etc.<br><br>(Continued on next page.) | Communication for Business and the Professions<br>Chapter 2<br><br>Successful Communication in Business - Chapter 19<br><br>Getting Your Message Across<br>Chapter 16<br><br>Communication at Work: Writing and Speaking<br>Chapter 1<br><br>Managerial Communication<br>Chapter 2<br><br>Understanding and Using Communication in Business<br>Chapter 11 |

OTHER CLUSTER COMPETENCIES:

1492
1493
1495

# Communications



## Cluster Instructional Objective: UNDERSTAND THE BASIC PRINCIPLES OF BUSINESS COMMUNICATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1494 (Cont.) | Provide case problems regarding communications transmitted up, down, or across the line in organizations. Students should read and discuss each situation, offering alternative solutions for solving communication problems within the organization. | |

# Communications

## Cluster Instructional Objective: UNDERSTAND THE BASIC PRINCIPLES OF BUSINESS COMMUNICATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1495<br>Understand that standardization of forms facilitates economy, effectiveness, and professionalism in communications.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1492<br>1493<br>1494 | Explain to students that form messages, if used wisely, can decrease the cost of business communications and retain the goodwill, customer relations aspects of individually written messages. Forms and form letters are not only desirable, but absolutely essential if the overall cost of an organization's communication system is to be held to a reasonable figure. Stress that forms should be constantly upgraded and/or eliminated to keep up with current communication needs. Regardless of the number of forms in use, it is important that they incorporate the principles of good design:<br>1) The form should facilitate the entering of data required.<br>2) The form should impress those who use it as being significant.<br>3) The form should make it easy for those who use it to obtain the data from it.<br>4) The form should minimize the possibility of errors in entry or use of data.<br>5) The form should be economical to reproduce.<br><br>Have students identify a list of basic forms that are generally required for each department of an industrial marketing firm and the purpose(s) each serves. Example: Purchasing Department = Purchase requisition, request for quotation, purchase order,<br><br>(Continued on next page.) | Communication for Management and Business - Chapter 14<br><br>Effective Communication in Business - Chapter 6<br><br>Communication for Business and the Professions Chapter 19<br><br>Getting Your Message Across Chapter 6<br><br>Purchasing Management Chapter 3 |

# Communications



## Cluster Instructional Objective: UNDERSTAND THE BASIC PRINCIPLES OF BUSINESS COMMUNICATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1495 (Cont.) | receiving slip form, inspection report form, rejection form, etc.<br><br>Obtain a variety of sample forms commonly used by industrial marketing firms from local firms (or printing services) and discuss their proper use with students. Give a list of informational paragraphs, students should complete the form(s) called for in each situation. | |

# Communications

## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1497<br>Understand that truth, honesty, and high ethical standards are basic to sound business communication. | Explain to students that a sound and workable system of communication is based on truth and honesty. Dependability, sincerity, trust, and loyalty still build a lasting foundation for business organizations. In a group discussion, have students determine a code of ethics for communication.<br><br>Invite a business representative or top sales agent to speak to students on "ethics in business communication." Students should prepare cases and questions regarding specific circumstances for the speaker.<br><br>Give students a series of case problems regarding ethics in communication. They should identify the ethical considerations in each case and propose alternate solutions that will satisfy all parties involved. Students should then share their ideas in a class discussion. | Business Communication<br>Chapter 15<br><br>Communication for Business and the Professions - Chapter 6<br><br>Effective Communication in Business - Part 3<br><br>Business Communication: A Problem Solving Approach<br>Part 1/Unit 2<br><br>Successful Business Writing<br>Chapters 1, 4 |
| OTHER CLUSTER COMPETENCIES:<br><br>1401<br>1478<br>1498<br>1499<br>1500<br>1501<br>1502<br>1503 | | |

# Communications



## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

### Competency

1498
Communicate firmly, politely, and professionally.

1499
Be direct and practical in communications.

OTHER CLUSTER COMPETENCIES:

1401
1478
1497
1500
1501
1502
1503



### Suggested Learning Activities

Explain to students that even though communications should be firm, direct, and practical, they still may be courteous; and courteous communications will build goodwill with customers, friends, and co-workers. Four steps to remember in courteous communication are:

1) Exclude words and expressions that could anger, belittle or irritate.
2) Include meaningful apologies when necessary.
3) Show appreciation, thoughtfulness, and tact.
4) Respond in a reasonable time frame--do not delay responses unnecessarily.

Discuss other techniques to be followed when communicating professionally.

Have students collect sample letters received from business organizations and analyze each to determine if the letter exemplifies practicality, courtesy, and professionalism.

Develop a series of business situations that require a communication. Have each student prepare a letter or other appropriate communication for each situation that demonstrates directness, politeness, and professionalism.

Develop a variety of role-play situations involving business communications. Each student should demonstrate his/her ability to communicate in a manner that is firm, direct, and practical--yet polite, by participating in several role-play situations.

### References

Communication for Business and the Professions - Chapters 6, 7

Communication for Management and Business - Chapter 7

Effective Communication in Business - Chapters 5, 8

Business Communication: A Problem Solving Approach Part 1/Unit 2

Successful Business Writing Chapters 1, 4

Business Communication Chapter 3

Introduction to Business Communication - Chapter 2

Communicating in Business Chapter 3

# Communications

## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1478<br>Listen objectively. | Discuss the importance of listening to effective business communications. Include: the difference between listening for facts and listening for feelings, listening barriers, and techniques of effective listening.<br><br>Play a tape recording or read a literary passage. Immediately afterward, test students with specific questions regarding the presentation to check their listening skill. Each student should write a paragraph which identifies his/her listening weaknesses and outline a plan to improve listening skills.<br><br>Without letting students take notes, give them a series of instructions that will result in the drawing of a specific object or design. After giving the directions, have students perform each step to see if proper listening achieves the desired result. Discuss the importance of listening carefully in business situations. | Communicating in Business<br>Chapter 16<br><br>Getting Your Message Across<br>Chapter 13<br><br>Communication for Business and the Professions - Chapter 5<br><br>Successful Communication in Business - Pages 488-492<br><br>Communication for Management and Business<br>Chapter 3, Pages 564-76<br><br>Managerial Communication<br>Chapter 8<br><br>Understanding and Using Communication in Business<br>Chapter 5 |

OTHER CLUSTER COMPETENCIES:

1401
1497
1498
1499
1500
1501
1502
1503

# Communications



## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1500<br>Field questions in a sincere, courteous, and positive manner.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1401<br>1478<br>1497<br>1498<br>1499<br>1501<br>1502<br>1503 | Familiarize students with principles involved in fielding questions:<br>1) Develop a positive attitude -- not only expect questions but encourage them.<br>2) Pre-plan your answers -- "do your homework" so that you will be forearmed.<br>3) Do not interrupt questioner until s/he is finished.<br>4) Answer question sincerely and courteously; make sure response is not arrogant--it should often ask for more information to better answer the question.<br>5) Be professional -- don't get off the point or broaden the issue.<br><br>Have students role-play question and answer sessions to evaluate their skill in effectively fielding questions. Discuss each role-play and invite suggestions for improvement.<br><br>Have students observe a salesperson in action at a local store or a speaker after a presentation to evaluate that person's effectiveness in fielding questions from the customer or audience. Students should note the person's attitude, his/her method of answering questions, and any suggestions of how s/he could have better handled the situation. | Effective Communication of Ideas<br>Chapter 8<br><br>Managerial Communication<br>Chapter 7<br><br>Communication at Work: Writing and Speaking - Chapter 12 |

# Communications

## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1501<br>Effectively negotiate policy matters with others. | Ask students to define "policy." Point out that a policy is not a rule, but is a guide to action and can be changed when necessary. Policies are formulated through interaction and negotiation within and outside the firm. Management must work with others to be sure that policies formulated are realistic, practical, and consistent throughout the organization.<br><br>Provide case studies regarding policy formulation and implementation for students to read and discuss.<br><br>Develop a different policy matter situation for each student. S/he should:<br>1) Identify who the proper person(s) would be to negotiate with.<br>2) Write a policy statement to handle the particular situation.<br>3) Explain how s/he would implement the policy.<br>Students should present their case and solution to the class for comments, criticisms, and alternate solutions.<br><br>Develop a series of business situations involving policy matters. Each student should demonstrate the ability to negotiate such matters effectively by role-playing one of the situations. Other students should evaluate each role-play, suggesting improvements when appropriate. | Managerial Communication<br>Chapter 2<br><br>Communication for Management and Business - Chapter 2 |
| OTHER CLUSTER COMPETENCIES:<br><br>1401<br>1478<br>1497<br>1498<br>1499<br>1500<br>1502<br>1503 | | |

# Communications

## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1502<br>Communication via the telephone in an effective, efficient, and professional manner. | Discuss with students principles of effective telephone communication, including:<br>1) When placing a business call, plan ahead--preferably in writing. Determine what information you want to get or give, if it is likely to be a good time to call, and key questions or items you need before you dial.<br>2) Identify yourself immediately when calling; answer immediately when receiving a call and identify yourself.<br>3) Speak clearly into the mouthpiece; speak slowly enough to be understandable, rapidly enough to be interesting.<br>4) Strive to be as brief as thoroughness permits.<br>5) Provide verbal feedback to your caller.<br>6) When you end a conversation, do so courteously but definitely. | Effective Communication in Business - Chapter 7<br><br>Managerial Communication Chapter 5<br><br>Selling: The Personal Force in Marketing - Chapter 20<br><br>Professional Selling: Inside and Out - Chapter 18<br><br>Selling: A Self Management Approach - Chapter 12<br><br>Principles of Creative Selling Pages 444-6 |
| OTHER CLUSTER COMPETENCIES:<br><br>1401<br>1478<br>1497<br>1498<br>1499<br>1500<br>1501<br>1503 | Each student should phone a local store or other business requesting information of some kind, noting the manner in which their inquiries are handled. Students may share their findings in a class discussion.<br><br>Have each student plan and role-play a brief telephone presentation. Other students should evaluate the caller's effectiveness and make suggestions for improvement. If students feel they need more work, explain that by using a tape recorder, a businessperson can practice a presentation, listen to it, refine it, and make a final recording. | Selling: Principles & Methods Chapter 8<br><br>Applied Business Communication Chapter 15<br><br>Introduction to Professional Selling - Pages 355-61 |

# Communications

## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1401<br>Use legible handwriting when preparing written communications. | Discuss with students the importance of legibility in handwritten communications, emphasizing problems that illegible handwriting can cause in all areas of the industrial marketing firm. Examples: Writing orders - price or quantity is illegible; Important letter - sent to wrong name or address; etc.<br><br>Provide (or show transparencies of) examples of poorly handwritten business communications and have students describe the possible outcomes of each.<br><br>Have each student complete a variety of common forms used in business communication in handwriting. Each student should trade papers with another student in order to evaluate the legibility of the handwritten communications. | Professional Selling: Inside and Out - Chapter 4<br><br>Selling Principles and Practices - Chapter 6 |
| OTHER CLUSTER COMPETENCIES:<br><br>1478<br>1497<br>1498<br>1499<br>1500<br>1501<br>1502<br>1503 | | |

# Communications



## Cluster Instructional Objective: UTILIZE PROFESSIONAL COMMUNICATION TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1503<br>Respect the confidentiality of certain communications. | Explain to students that business communicators must develop an awareness and an understanding of the federal and state laws that cover an individual's right to privacy, the consumer's right to confidentiality of credit and other personal information, and the individual's right to be informed when his or her words are being recorded. Discuss the Privacy Act of 1974 and other pertinent legislation, as well as simple ethical considerations, relating to the confidentiality of communications.<br><br>Have students identify types of communications that should be kept confidential, give examples of what can happen when industrial salespeople or other employees of the firm reveal confidential information to other employees or outsiders, and describe the effects of doing so on the individual's and the firm's reputations.<br><br>Provide case studies for students to read and discuss regarding communications in various business situations. Students should indicate in which situations information should be kept confidential and why, or in which situations the information might be disclosed to certain parties and why. | Business Communication<br>Chapter 15<br><br>Communicating in Business<br>Chapter 5<br><br>Communication for Management and Business - Chapter 8<br><br>Selling: A Self-Management Approach - Chapter 10<br><br>Selling Today<br>Page 416<br><br>Selling Principles and Practices - Chapter 22 |
| OTHER CLUSTER COMPETENCIES:<br><br>1401<br>1478<br>1497<br>1498<br>1499<br>1500<br>1501<br>1502 | | |

# Communications

## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1504<br>Plan for effective communication. | Discuss with students the importance of proper planning for communication and the general steps involved:<br>1) Determine what information is needed to communicate.<br>2) Define the problem and/or purpose.<br>3) Identify the audience.<br>4) Determine the topic and content of the message.<br>5) Make an outline.<br>6) Determine most effective means of medium for the situation and communication--must satisfy both sender and receiver(s) of message (letter, memo, meeting, intercompany piece, phone call, etc.).<br><br>Given case problems regarding business situations in which a communication must be sent, students should go through the planning process and determine the means of communication that would best handle each situation.<br><br>Give each student a different business communication problem. Students should work through each step in the planning process and develop an actual communication for the particular situation. Each student should then present his/her problem to the class, explaining the outcome of each planning step and demonstrating the final communication. | Effective Communication in Business - Chapter 4<br><br>Communicating in Business Chapter 2<br><br>Communication at Work: Writing and Speaking - Chapter 4<br><br>Communication for Management and Business - Chapter 4<br><br>Successful Business Writing Chapter 5<br><br>Successful Communication in Business - Chapter 4<br><br>Applied Business Communication Chapter 5 |
| OTHER CLUSTER COMPETENCIES:<br><br>1505<br>1506<br>1507<br>1508<br>1509 | | |

# Communications



## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

### Competency

1505
Prepare written reports, letters, etc., which are effective and easy to understand.

OTHER CLUSTER COMPETENCIES:

1504
1506
1507
1508
1509



### Suggested Learning Activities

Discuss with students these ten basic rules for effective writing:

1) Keep sentences short, on the average.
2) Use the simple rather than the complex.
3) Select familiar words.
4) Avoid unnecessary words.
5) Use active, not passive sentences.
6) Write as you would talk.
7) Use terms your reader can picture.
8) Relate your writing to your reader's experience.
9) Use variety in your writing.
10) Write to express, not impress.

and these major keys to achieving an effective business writing style:

1) Emphasis
2) Unity and Coherence
3) Imagination
4) The "YOU" Attitude
5) Courtesy and Tact
6) Positive and negative tone
7) Correctness and precision.

Have students prepare sentences or short paragraphs illustrating each point in the discussion.

(Continued on next page.)

### References

Communicating in Business
Parts II, III

Effective Communication in Business - Parts 3, 5, 6, 7

Communication for Business and the Professions
Units 3, 4

Successful Communication in Business - Parts 2, 3

Getting Your Message Across
Sections II, III

Communication at Work: Writing and Speaking
Chapters 10, 11

Communication for Management and Business - Chapter 7

Managerial Communication
Chapters 9, 10

Understanding and Using Communication in Business
Chapters 3, 4

(Cont.)

# Communications

## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1505 (Cont.) | Provide examples (or show transparencies) of different forms of written communication for discussion purposes. Students should discuss each type and identify situations where each type would be effectively used. Include examples of poorly written communications, and have students point out the deficiencies and suggest improvements. | Successful Business Writing Units III, V<br><br>Introduction to Business Communication - Parts II, IV, V<br><br>Business Communication Chapters 8, 10 |
| | Given case problems involving business situations calling for different types of written communications, students should prepare a clear, effective communication for each situation. | Applied Business Communication Part 3 |

# Communications

## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1506<br>Deliver effective, persuasive oral presentations. | Discuss the basic types of oral communication: introductions, briefings, informative talks, recognitions, welcomes, and short or long presentations. Explain to students that several mental and physical processes combine to create successful oral communications. These essentials are selecting words, speaking, using actions or gestures, emphasizing personal traits, and listening. To prepare an effective oral presentation, you must determine your purpose, know your subject, know your audience, be well organized, involve your listeners, and plan your delivery and conclusion. To effectively present an oral communication, you must look at your audience, vary volume and speed, speak clearly, use appropriate gestures, check your posture and appearance, make clear transitions, and watch and listen for feedback. | Communicating in Business<br>Chapters 17, 18<br><br>Getting Your Message Across<br>Chapter 12<br><br>Communication for Business and the Professions<br>Chapter 20<br><br>Communication at Work: Writing and Speaking<br>Chapter 12<br><br>Managerial Communication<br>Chapter 7<br><br>Understanding and Using Communication in Business<br>Chapter 7<br><br>Successful Communication in Business - Chapter 16<br><br>Communication for Management and Business - Chapter 3<br><br>Introduction to Business Communication - Chapter 17<br><br>Business Communication<br>Chapter 13 |
| OTHER CLUSTER COMPETENCIES:<br><br>1504<br>1505<br>1507<br>1508<br>1509 | Have students take turns role-playing short presentations such as introductions, briefings, informative talks, recognitions, and welcomes. Evaluate each role-play and invite constructive criticism from non-participants.<br><br>Have each student plan, prepare, and present a ten-minute speech on an approved topic of his/her choice. Each presentation should be carefully evaluated by the instructor and other students, and discussed with the presenter. | |

# Communications

## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1507<br>Speak fluently, enthusiastically, and use good grammar.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1504<br>1505<br>1506<br>1508<br>1509 | Explain to students that a speaker must adjust his/her voice according to conditions that affect listening:<br>1) the distance between speaker and listener<br>2) interfering noises<br>3) the speaker's volume<br>4) the acoustics of the room or area.<br>Expressiveness involves varying the voice to bring out shades of meaning--major ideas, incidental ideas, similar ideas, contrasting ideas, serious ideas, humorous ideas, ideas in a series, ideas at the end of a division of the speech, etc. The key to achieving expressiveness is variety--variety in rate of speaking, pauses of varying frequency and length, variety in pitch inflection, degree of force, etc. Also important to expressiveness is proper articulation, absence of "uh," and "and uh," "you know," and similar terms, and use of proper grammar.<br><br>Prepare a tape recording in which a speaker gives a talk that demonstrates the difference between:<br>1) a dull, expressionless, monotone vs. an expressive tone<br>2) audibility vs. insufficient projection, speaking indistinctly and running words together<br>3) proper grammar vs. poor grammar.<br>Play the tape and invite student comments for discussion.<br><br>(Continued on next page.) | Communication at Work: Writing and Speaking - Chapters 7, 12<br><br>Managerial Communication Chapter 7<br><br>Successful Communication in Business - Chapter 16<br><br>Introduction to Business Communication - Chapter 17<br><br>Business Communication Chapter 13 |

# Communications



## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1507 (Cont.) | Record each student presenting a brief talk or reading a literary passage. Let other students critique each presentation before replaying the tape for the student's benefit. If students have specific problems, they should work on their own and repeat the exercise at a later date to check improvement. | |

# Communications

## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1508<br>Control distracting gestures and mannerisms.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1504<br>1505<br>1506<br>1507<br>1509 | Explain to students that we usually define gesture as movement of head, hands, or arms to emphasize feelings or ideas. An overabundance of gestures will be annoying to listeners, and actions that are especially noticed interfere with the communication process. Distracting movements such as putting hands in and out of pockets, folding arms across chest or behind the body, rattling change in pocket, playing with hair, letting eyes move to the ceiling and floor, etc., are annoying.<br><br>Invite someone to role-play or play a video tape of a person giving a presentation in which s/he purposely overuses gestures and mannerisms to demonstrate to the class how annoying such actions can be to an audience.<br><br>If possible, videotape each student giving a short presentation. Arrange a time for each student to view the tape to check for distracting gestures and/or mannerisms s/he may not be aware of in his/her presentation. If this is not possible, simply have students be especially aware of gestures and/or mannerisms in their oral communications to see if modification is necessary. | Getting Your Message Across<br>Chapter 14<br><br>Communication at Work: Writing and Speaking - Chapter 12<br><br>Managerial Communication<br>Chapter 7<br><br>Understanding and Using Communication in Business<br>Chapter 6<br><br>Introduction to Business Communication - Chapter 17<br><br>Business Communication<br>Chapter 13 |

# Communications



## Cluster Instructional Objective: PLAN AND PREPARE EFFECTIVE COMMUNICATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1509<br>Assess whether or not the receiver understands the intended message. | Discuss "feedback" with students, stressing why it is important as a communication device. Point out that:<br>1) feedback is necessary to give us some indication of the effectiveness of the communication taking place<br>2) feedback can be both verbal and nonverbal<br>3) feedback is often inaccurate or "phony"<br>4) feedback is often received too late to correct or improve an earlier communication.<br><br>Give each student examples of various kinds of communications (letter, phone call, speech, etc.) and have him/her identify several means of obtaining feedback for each type of communication. Students should then share their ideas in a class discussion.<br><br>Provide case problems, for students to read and discuss, in which different types of communication and resulting feedback are portrayed. For each problem, students should discuss:<br>1) if the desired response was obtained - why or why not;<br>2) if the means of feedback was desirable;<br>3) how the situation could be improved. | Managerial Communication<br>Chapter 3<br><br>Communicating in Business<br>Chapter 1<br><br>Communication at Work: Writing and Speaking - Chapter 2<br><br>Understanding and Using Communication in Business<br>Chapter 7<br><br>Successful Communication in Business - Chapter 16 |
| OTHER CLUSTER COMPETENCIES:<br><br>1504<br>1505<br>1506<br>1507<br>1508 | | |

# Communications

## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1510<br>Identify relevant market informational needs. | Discuss with students the scope of marketing research, pointing out that efforts are commonly centered around developing sales forecasts, determining sales and market potential, designing new products and packages, analyzing sales and marketing costs, evaluating the effectiveness of the firm's advertising, determining consumer motives for buying products, and analyzing strength of competition. Specific types of information are required to assist management at each stage of the decision-making process. To specify information needs, you should consider the following:<br>1) scope and nature of the opportunity or problem<br>2) known information related to the opportunity or problem<br>3) specific questions to be answered and degree of accuracy required<br>4) timetable for information needs<br>5) cost limits/values attached to information<br>6) funding for project.<br><br>Develop a different marketing opportunity or problem situation for each student. S/he should research the problem and determine the information required, preparing and presenting a report to the class.<br>EXAMPLES<br>What criteria should the industrial marketing manager gather information on regularly to keep informed about the economy? (student<br><br>(Continued on next page.) | Marketing Research<br>Chapter 3<br><br>Foundations of Marketing<br>Chapter 3<br><br>Marketing Today<br>Chapter 3<br><br>Industrial Marketing for Results<br>Chapter 8<br><br>Industrial Marketing<br>Chapter 7<br><br>Marketing Management: A Planning Approach<br>Chapter 3 |

OTHER CLUSTER COMPETENCIES:

1511
1512
1513
1514
1515
1516

# Communications



## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1510 (Cont.) | should include production index, GNP, National income figures, number of industrial shipments, money supply, number of housing starts, etc.).<br><br>Bob Sims is preparing to expand his northern territory to incorporate the state of South Dakota. He has communicated this to the industrial marketing manager, who has OK'd the expansion if Sims can justify it. What kind of information does he need about that new market to proceed? | |

# Communications

## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1511<br>Select the most appropriate method for acquiring needed information. | Discuss the various methods of obtaining data, how each is used, and the advantages and disadvantages of each:<br>1) Observation<br>2) Mail questionnaire<br>3) Personal interview<br>4) Telephone interview<br>5) Computer simulation<br>6) Experimental (test marketing)<br>7) Other.<br><br>Provide case problems in which different marketing problems or situations are described. In each case, students should:<br>1) determine what type(s) of information is needed<br>2) identify the best method(s) of acquiring information<br>3) justify their choice.<br><br>Divide students into small groups and assign each group one of the methods discussed above. Each group should locate a research study in which information was obtained by that method and prepare a summary of the procedures and results of the study. Groups should then share their findings with the class. | Marketing Research<br>Part 3<br><br>Research for Marketing Decisions<br>Chapter 5<br><br>Foundations of Marketing<br>Chapter 3<br><br>Industrial Marketing<br>Chapter 10<br><br>Effective Communication in Business - Chapter 13<br><br>Communication for Business and the Professions - Chapter 16<br><br>Successful Business Writing<br>Chapter 14<br><br>Introduction to Business Communication<br>Chapter 11 |
| OTHER CLUSTER COMPETENCIES:<br><br>1510<br>1512<br>1513<br>1514<br>1515<br>1516 | | |

# Communications



## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1512<br>Know the basic attributes of marketing information systems. | Explain to students that the basic concept of the Marketing Information System is to provide sound, reliable market data on a continuous basis that can be incorporated into marketing decision-making. The MIS is intended to provide information about customer problems and dissatisfactions, middlemen concerns, competitive moves, etc., before crisis situations are reached. Discuss the main components of the marketing information system: internal accounting system, marketing intelligence system, marketing research system; discuss what types of information each provides and how this aids the marketing manager.<br><br>Have students research the topic of "marketing information systems" and prepare a brief report. Students sould then share their findings in a class discussion.<br><br>Invite an industrial marketing manager to speak to the class on marketing information systems -- how they aid marketing managers in making decisions. | Industrial Marketing<br>Chapter 7<br><br>Marketing Management<br>Chapter 19<br><br>Marketing Research<br>Chapter 2<br><br>Industrial Marketing Management<br>Chapter 6<br><br>Marketing Today<br>Chapter 3<br><br>Foundations of Marketing<br>Chapter 3<br><br>Fundamentals of Marketing<br>Chapter 3<br><br>Marketing Management: A Planning Approach - Chapter 3 |

OTHER CLUSTER COMPETENCIES:

1510
1511
1513
1514
1515
1516

# Communications

## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1513<br>Know the available secondary information sources. | Ask students what is meant by secondary data, and why we should review whatever secondary data are available (before incurring the costly collection of primary data, we should try to capitalize on others' efforts). Have students compile a list of secondary information sources. (Lists should include: books, newspapers, professional journals, published research studies, business periodicals, government publications, trade associations, statistical compilations, business and corporation directories, indexes, private research firms, etc.)<br><br>Give students a variety of questions, and have them answer each, and list the reference sources from which they secured the information for each.<br>EXAMPLES:<br>1) What books were published last year on "Communications?" (Limit list to ten)<br>2) Select a large corporation and list the names of its major officers.<br>3) How many automobiles were registered in Illinois last year?<br>4) What publications were issued last year by the U. S. Government regarding industrial marketing?<br>5) What articles did the Wall Street Journal have on foreign trade in the past three months?<br><br>(Continued on next page.) | Marketing Research<br>Chapter 6<br><br>Communication for Management and Business - Chapter 16<br><br>Business Communication<br>Chapter 9<br><br>Successful Business Writing<br>Chapter 13<br><br>Communication for Business and the Professions<br>Chapter 16<br><br>Successful Communication in Business - Chapter 14<br><br>Introduction to Business Communication - Chapter 11 |

OTHER CLUSTER COMPETENCIES:

1510
1511
1512
1514
1515
1516

# Communications

## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1513 (Cont.) | Assign each student a different marketing problem or opportunity. S/he should identify secondary information that would be helpful to solve the problem, and list possible sources of the information. | |

# Communications

## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1514<br>Read, understand, and apply business reports: financial, statistical, sales analysis, market analysis, etc. | Provide students with sample copies of common reports used in marketing control. Discuss how to interpret the information provided in order to make recommendations regarding that data.<br><br>Give each student a different marketing problem and corresponding business report(s). S/he should study the reports and make recommendations for solving the problem. | Marketing Management<br>Chapter 20<br><br>Marketing Research<br>Part 4<br><br>Foundations of Marketing<br>Chapter 3<br><br>Sales Management<br>Chapter 21<br><br>Management of the Sales Force<br>Part 4<br><br>Sales Force Management<br>Chapters 17, 18 |

OTHER CLUSTER COMPETENCIES:

1510
1511
1512
1513
1515
1516

# Communications



## Cluster Instructional Objective: IDENTIFY, ACQUIRE, AND EVALUATE NECESSARY MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1515<br>Discern between meaningful and trivia-type information.<br><br>1516<br>Evaluate the appropriateness of acquired information. | Discuss with students techniques to follow when evaluating data in order to determine what information is relevant to a specific problem.<br><br>Provide students with case problems in which a marketing problem is described, and a list of data given. Students should identify the relevant facts to be considered in solving each particular problem. | Research for Marketing Decisions<br>Chapters 8 - 11<br><br>Marketing Management<br>Chapters 19, 20<br><br>Foundations of Marketing<br>Chapter 3<br><br>Marketing Research<br>Chapter 14<br><br>Communications for Business and the Professions - Chapter 17<br><br>Introduction to Business Communication - Chapter 11 |

OTHER CLUSTER COMPETENCIES:

1510
1511
1512
1513
1514

# Communications

## Cluster Instructional Objective: APPLY EFFECTIVE DATA-GATHERING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1517<br>Understand the basics of sampling techniques. | Explain to students that the theory of sampling is based on the assumption that if a sufficiently large number of items are randomly selected from the whole or total, the sample will possess the same characteristics as the larger group. Students should understand that proper sampling requires a representative, random sample; that the size of the sample be sufficient to draw inferences from; and that selection of respondents requires that the researcher eliminate as much bias as possible. Discuss common sampling techniques and demonstrate how a table of random numbers may be used.<br><br>Provide a list of marketing situations and population descriptions. Have students determine which type of sample would be best for each situation and explain why. | Marketing Research<br>Chapters 7, 8<br><br>Research for Marketing Decisions<br>Chapter 7<br><br>Communication for Business and the Professions - Chapter 16<br><br>Successful Communication in Business - Chapter 14<br><br>Introduction to Business Communication - Chapter 11 |

OTHER CLUSTER COMPETENCIES:

1518
1519

# Communications

## Cluster Instructional Objective: APPLY EFFECTIVE DATA-GATHERING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1518<br>Formulate meaningful and purposeful questionnaires. | Discuss the types of questions most frequently used on questionnaires: open-ended, multiple choice, fill-in-the-blank, either-or, checklists, ranking, scaled response, and free response. Also discuss the following guidelines for questionnaire preparation:<br>1) Construct an easy-to-complete questionnaire.<br>2) Make your questions easy to understand.<br>3) Avoid leading questions that may bias answers.<br>4) Avoid personal questions. If necessary, provide ranges for answers.<br>5) Ask for information that can easily be remembered.<br>6) Arrange questions in a logical sequence.<br>7) Keep the number of questions to a minimum.<br>8) Consider eye appeal and the format of the questionnaire.<br>9) Construct the questionnaire so that respondents' answers are easy to tabulate.<br>10) Include instructions for completion, if needed.<br>11) Give respondents a deadline for returning the completed questionnaire.<br>12) If the questionnaire is mailed, enclose a stamped, addressed return envelope.<br><br>(Continued on next page.) | Marketing Research<br>Chapter 9<br><br>Communication for Management and Business - Chapter 16<br><br>Communication for Business and the Professions<br>Chapter 16<br><br>Effective Communication in Business - Chapters 13, 18<br><br>Successful Communication in Business - Chapter 14<br><br>Introduction to Business Communication - Chapter 11<br><br>Business Communication<br>Chapter 9 |

OTHER CLUSTER COMPETENCIES:

1517
1519

# Communications

## Cluster Instructional Objective: APPLY EFFECTIVE DATA-GATHERING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1518 (Cont.) | Given a list of several examples of each type of question discussed above, students should critique each example and rewrite if necessary. Also, show samples of actual questionnaires used by firms or individuals for discussion purposes.<br><br>Have students construct a sample questionnaire which includes three examples of each type of question. | |

# Communications

## Cluster Instructional Objective: APPLY EFFECTIVE DATA-GATHERING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1519<br>Identify, evaluate, and select private research firms as needed.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1517<br>1518 | Explain to students that although large companies often have their own market research departments, use is also made of outside agencies -- when costs can be reduced or when specially-trained personnel are required. Smaller companies also utilize the services of independent market research agencies. Such research firms can be identified through directory services and listings from trade publications.<br><br>Discuss criteria used to evaluate outside agencies (i.e., reputation, other clients, cost, time required, coverage area, capacity of firm, etc.). When selecting an agency to perform marketing research services, these considerations are important:<br>1) Obtain testimonials from others who have used the services.<br>2) Request a proposal and sample report of prior work.<br>3) Be informed about the professional skills of the researchers, methodology to be employed, data analysis to be performed, progress and interim reporting, and final reports. | Industrial Marketing for Results - Chapter 8<br><br>Foundations of Marketing Chapter 3<br><br>Effective Communication in Business - Chapter 13<br><br>Fundamentals of Marketing Chapter 3<br><br>Marketing: An Integrated Approach - Chapter 6 |

# Communications

## Cluster Instructional Objective: UNDERSTAND AND APPLY DATA PROCESSING TO INDUSTRIAL MARKETING NEEDS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1520<br>Understand the wide scope of computer data processing and sales programming. | Discuss with students the scope of data processing --What can the computer do for industrial marketing people? How can it aid in sales programming? Point out that the computer can acquire, store, and process information for solving marketing problems, such as product analysis, sales calls data, number of shipments to a particular firm or area, etc. The computer can assist the industrial marketing manager (and others) in every area of marketing.<br><br>Show examples of data provided by the computer regarding specific marketing problems -- how the data is assembled and what it tells us in order to aid decision-making and/or solving of problems. | Marketing Research<br>Chapter 11<br><br>Purchasing Management<br>Chapter 23<br><br>Industrial Marketing<br>Chapter 7<br><br>Purchasing Agent's Desk Manual - Section 10<br><br>Modern Business<br>Chapter 17 |
| OTHER CLUSTER COMPETENCIES:<br><br>1521<br>1522 | | |

# Communications



## Cluster Instructional Objective: UNDERSTAND AND APPLY DATA PROCESSING TO INDUSTRIAL MARKETING NEEDS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1521<br>Evaluate and apply electronic data processing to specific marketing needs. | Continue second activity for competency #1520 by taking data regarding a specific marketing problem and using the computer to help solve the problem.<br>EXAMPLES:<br><u>Assess a new territory.</u><br>Given the data regarding a specific territory, use the computer to forecast sales for that territory to determine if we should expand to include that territory or modify it.<br><br><u>Identify a target market.</u><br>Given data regarding a population and particular product, computer can identify a target group to appeal to, use as testing sample, etc. | Marketing Research<br>Chapters 12, 13<br><br>Industrial Marketing<br>Chapter 7<br><br>Purchasing Agent's Desk Manual - Section 10 |
| OTHER CLUSTER COMPETENCIES:<br><br>1520<br>1522 | Invite a business manager to speak to the class about how s/he uses electronic data processing to solve marketing problems, giving specific examples if possible. | |

# Communications

## Cluster Instructional Objective: UNDERSTAND AND APPLY DATA PROCESSING TO INDUSTRIAL MARKETING NEEDS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1522<br>Read and understand computer printouts. | As a continuance of activities in competencies #1520 and 1521, take the resulting feedback (printout), read and analyze it, and understand what it means from the standpoint of a specific marketing problem.<br><br>Provide other printouts and continue this activity regarding different types of marketing problems. | |

OTHER CLUSTER COMPETENCIES:

1520
1521

# Display

## Cluster Instructional Objective: ARRANGE FOR THE INDUSTRIAL FIRM TO PARTICIPATE IN TRADE SHOWS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1554<br>Understand the benefits of trade shows.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1555<br>1556 | Point out to students that trade shows have a basic characteristic difference from all other forms of industrial promotion--they bring the customer to the company. This results in a concentration of customers that might not be achieved in any other manner. Discuss with students the following benefits of trade shows:<br>Opportunity to--<br>1) meet potential customers<br>2) explain new products to existing customers<br>3) develop a list of prospective buyers<br>4) demonstrate equipment that could not be taken on a sales call<br>5) build goodwill among present customers<br>6) introduce new products and service and estimate their possible success in the marketplace<br>7) observe the efforts of competitors<br>8) recruit new distributors and discover new suppliers<br>9) perform all the above functions at a relatively low cost.<br><br>Invite a representative from a local industrial firm who is involved in trade show participation for that firm to speak to the class about trade shows. The speaker should include information<br><br>(Continued on next page.) | Industrial Marketing Management<br>Pages 215-8<br><br>Industrial Marketing<br>Pages 381-8<br><br>Principles of Creative Selling<br>Chapter 23<br><br>Selling Principles and Practices - Pages 368-71<br><br>Industrial Marketing Strategy - Chapter 10 |

# Display



## Cluster Instructional Objective: ARRANGE FOR THE INDUSTRIAL FIRM TO PARTICIPATE IN TRADE SHOWS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1554 (Cont.) | about the number of trade shows his/her firm participates in each year; how trade shows are selected; what type of displays are used; if the same display is used at each show, and if not, what determines the display to be used; objectives of participating in trade shows; etc.<br><br>If possible, arrange for students to attend a trade show to observe the activities taking place. Students should note the following:<br>1) size of facility<br>2) number of participants and visitors<br>3) layout of exhibits<br>4) variety of display techniques utilized<br>5) visual aids and demonstrations used.<br>Have each student spend a few minutes talking to an exhibitor to determine the benefits s/he expects to derive from participating in the show. Later, students should compare the information they gathered and give their reactions to the trade show. | 142 |

# Display

## Cluster Instructional Objective: PREPARE AN EFFECTIVE TRADE SHOW DISPLAY TO PROMOTE INDUSTRIAL PRODUCTS.

### Competency

1555
Organize, assemble, and present effective trade show displays.

OTHER CLUSTER COMPETENCIES:

1554
1556



### Suggested Learning Activities

Discuss with students the steps to follow in facilitating an effective trade show display and how to successfully achieve each:

1) Identify and select the most appropriate trade shows to participate in.
2) Negotiate and arrange for the most effective booth locations.
3) Schedule and coordinate the needed personnel.
4) Design, assemble, and set up effective trade show displays.
5) Select the best-suited visual aids.
6) Identify, prepare, and disseminate appropriate information, brochures, name cards, etc.
7) Organize for an orderly movement of display visitors.
8) Screen visitors to identify real prospects.
9) Be prepared to present additional information to potential customers.
10) Interact with competition, identify new products, record information, and process to management.

As a class project, have students plan and participate in a mock trade show. Divide students into small groups and have each group plan a booth exhibit suitable for the chosen trade show theme. Students should take turns being "exhibitors" and "prospects" participating in the trade show.

### References

Exhibitions: Universal Marketing Tools

Industrial Marketing Management
Pages 215-8

Industrial Marketing
Pages 381-8

Selling Principles and Practices
Chapter 18

Principles of Creative Selling
Chapter 23

# Display



## Cluster Instructional Objective: PREPARE AN EFFECTIVE TRADE SHOW DISPLAY TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1556<br>Assess the effectiveness of trade show participation. | Discuss with students questions that management would need answered in the evaluation of trade show effectiveness.<br>Examples:<br>1) How much business did we book?<br>2) Did we attract a significant number of prospective buyers?<br>3) Did we get our quota of visitors?<br>4) Did our booth exhibit attract as much attention as the competition?<br>5) Who had the best exhibit? the poorest?<br>6) How did our exhibit rank?<br>7) What seemed to impress visitors most about our exhibit?<br>8) Did we stay within our budget? | Industrial Marketing Management<br>Pages 215-18<br><br>Principles of Creative Selling<br>Chapter 23<br><br>Exhibitions: Universal Marketing Tools - Chapter 22 |
| OTHER CLUSTER COMPETENCIES:<br><br>1554<br>1555 | Explain to students that the most widely used method of evaluating trade show effectiveness is a questionnaire soliciting feedback from visitors. This approach can be utilized by both the trade show promoters in evaluating the overall show, and the individual exhibitors to evaluate their own displays. In addition, most individual exhibitors ask their visitors to sign a register which serves to record the number of people contacted, as well as their names and addresses for future reference. Information gathered by both questionnaires can be compared to determine how the individual exhibitor's<br><br>(Continued on next page.) | |

# Display

## Cluster Instructional Objective: PREPARE AN EFFECTIVE TRADE SHOW DISPLAY TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1556 (Cont.) | display ranked in the overall trade show. Information typically asked for on the questionnaires is:<br>1) Which exhibits did you find most attractive and useful?<br>2) Was the information readily available?<br>3) Was exhibitor friendly and helpful?<br><br>Have students design and assemble a questionnaire which could be used by promoters in evaluating the overall trade show, and a questionnaire which individual exhibitors could use in evaluating their display booths. Students should exchange their questionnaires with other students and use them to actually evaluate the trade show the students enacted in Display competency #1555. Then, in a class discussion, students should critique the usefulness of the questionnaires they completed in evaluating the effectiveness of trade shows. | |

# Display



## Cluster Instructional Objective: PREPARE AN EFFECTIVE SHOWROOM DISPLAY TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1557<br>Understand the benefits of showroom displays. | Discuss with students how showroom displays by channel members help the manufacturer to sell industrial products. Have students identify benefits to the manufacturer, to channel members, and to customers.<br><br>If possible, arrange for students to visit one or more channel components in order to observe how they use showroom displays to effectively present manufacturers' product lines. | Professional Selling: Inside and Out - Chapter 10<br><br>Industrial Marketing Management<br>Page 218 |
| OTHER CLUSTER COMPETENCIES:<br><br>1558 | | |

# Display

## Cluster Instructional Objective: PREPARE AN EFFECTIVE SHOWROOM DISPLAY TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1558<br>Design, organize, assemble, and set up effective showroom displays. | Discuss with students the steps to follow in setting up an effective showroom display and how to achieve each:<br>1) Identify and select the best-suited display materials.<br>2) Plan and design the actual display.<br>3) Negotiate and arrange for delivery of supplier display materials at the lowest possible cost.<br>4) Organize and set up the display.<br>5) Identify, prepare, and conveniently provide access to brochures and other informational pieces.<br>6) Effectively answer questions about products being displayed.<br>7) Apply sound selling techniques and practices to potential customers.<br>8) Cycle display materials to maximize customer awareness of new product offerings.<br>9) Assess the effectiveness of showroom displays. | Professional Selling: Inside and Out - Chapter 10 |
| OTHER CLUSTER COMPETENCIES:<br>1557 | Divide students into small groups and have each group choose a product line and plan and prepare a suitable showroom display to promote those products. Students should compare and evaluate displays. | |

# Display

## Cluster Instructional Objective: PREPARE SUITABLE CATALOGS TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1559<br>Understand the benefits of catalogs.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1560<br>1561 | Point out to students that a catalog is a means to give buyers complete and comprehensive printed information about a product or product line which they need in order to make sound buying decisions. Buyers and buying influences may refer to catalogs for comparisons of specifications, prices, terms, etc., in order to screen potential suppliers. If a manufacturer's catalog is not available to the purchaser, that manufacturer's products may not even be considered. Because of this, many manufacturers consider their catalogs to be "silent salespeople."<br><br>Discuss with students the following benefits of catalogs:<br>1) Produce orders - buying influences may recommend the purchase of a product that has been included in a catalog. Also, catalogs may reach buying influences that are ordinarily inaccessible to salespeople.<br>2) Develop recognition - catalogs tell potential buyers "who makes what"<br>3) Generate requests for information - provides buyers with enough facts to cause them to request more information<br>4) Stimulate invitations to bid - many times a buyer will consult a catalog file in order to compile a bidders list of select firms that would be asked to submit bids.<br>5) Specifications adoptions - if a buyer wants a firm as a possible supplier, s/he may draw specifications compatible with the supplier's. | Principles of Creative Selling<br>Pages 56; 265-6<br><br>Industrial Marketing Management<br>Pages 212-5<br><br>Advertising: Its Role in Modern Marketing<br>Pages 562; 668<br><br>Industrial Marketing<br>Pages 338-91<br><br>What Management Should Know About Industrial Advertising<br>Pages 52-5 |

# Display

## Cluster Instructional Objective: PREPARE SUITABLE CATALOGS TO PROMOTE INDUSTRIAL PRODUCTS.

### Competency

1560
Design, organize, assemble, and distribute complete and easy-to-use catalogs.

OTHER CLUSTER COMPETENCIES:

1559
1561

155

### Suggested Learning Activities

Discuss with students the steps involved in assembling and maintaining a suitable catalog:

1) Identify all products that should be included in the catalog.
2) Plan and organize the catalog so that it will be easy to use.
3) Design and assemble the catalog.
4) Determine the buyers, buying influences, and prospects who should receive copies of the catalog being produced.
5) Evaluate and select the most efficient and economical means of distributing the catalogs.
6) Keep catalogs current, by updating and providing supplements or price sheets as needed.
7) Effectively work with advertising and sales in determining how to inform customers to use the catalogs for maximum benefit.
8) Insure that catalogs are being used.

Point out to students that, although there is no single form of industrial catalog -- buyers' needs and product sophistication require different formats -- a format for catalog organization that is generally adhered to follows:

(Continued on next page.)

### References

Industrial Marketing
Management - Pages 212-5

Industrial Marketing
Pages 388-91

What Management Should Know
About Industrial Advertising
Pages 52-5

156

# Display

## Cluster Instructional Objective: PREPARE SUITABLE CATALOGS TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1560 (Cont.) | 1) Determine which products will be included, which will not.<br>2) If there are a number of products, determine if they can be grouped into "families."<br>3) Make folders for each product or group of products and gather all pertinent data on each (previous catalogs, technical bulletins, engineering reports, sales literature, etc.).<br>4) Review folders for completeness.<br>5) Take steps to obtain missing information.<br>6) Make a rough outline of the contents (the cover, table of contents, general company background, product pages, etc.).<br>7) Determine the format to use.<br>8) Make an organizational layout.<br>9) Plan and write the copy.<br>10) Establish a working schedule for completion of the catalog.<br><br>Discuss with students how a supplier would identify the individual(s) to whom catalogs should be sent, as well as the following methods of distribution:<br>1) by mail to the buying influences<br>2) use space ads and direct mail to get prospects to request catalogs<br>3) have salespeople distribute catalogs to buying influences<br>4) distribute them in a pre-filed catalog that is a bound volume of many manufacturers.<br><br>(Continued on next page) | |

# Display

## Cluster Instructional Objective: PREPARE SUITABLE CATALOGS TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1560 (Cont.) | Have students obtain and bring to class actual industrial catalogs to review. Ask students to compare the catalogs and point out features that make one catalog more attractive and/or useful than others. Also, have students suggest the implications of overdistribution of these catalogs as well as underdistribution. | |

# Display



## Cluster Instructional Objective: PREPARE SUITABLE CATALOGS TO PROMOTE INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1561<br>Evaluate the effectiveness of catalogs in service.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1559<br>1560 | Explain to students that because the catalog is an expensive promotional medium, every effort to insure effective use of catalogs by buyers must be made. Catalogs must contain current information and be arranged so that buyers find them easy to use. Ask students to suggest ways that catalog effectiveness can be measured.<br>EXAMPLES:<br>1) A salesperson can ask to see a buyer's catalog of the salesperson's firm when making a sales call. The salesperson can then observe whether the buyer is able to retrieve the catalog easily, which can indicate whether the buyer refers to the catalog regularly.<br>2) The salesperson can observe whether catalog additions or corrections have been inserted in the proper places.<br>3) The salesperson can refer to the catalog during a presentation, and by doing so, determine whether it is easily understood by the buyer. | Industrial Marketing<br>Pages 388-91<br><br>What Management Should Know About Industrial Advertising<br>Pages 52-5 |

# Human Relations

## Cluster Instructional Objective: DISPLAY INTERPERSONAL SKILLS WHEN DEALING WITH BUSINESS RELATIONSHIPS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1537<br>Develop and maintain a professional and continuing rapport with clients, salespeople, and other business contacts. | Have students identify those constituencies that industrial marketers must interact with on a professional or business basis, then decide how to best maintain a continuing rapport with each--formal or informal coordination of efforts. (Explain that with formal coordination, a person or persons in your organization is assigned the task of maintaining the business relationship, and only s/he is to communicate with the business contact. Under the informal coordination approach, anyone in your organization can communicate with the business contact, i.e., sales, shipping, etc.)<br><br>Provide case situations involving business relationships in which a problem occurs, and students must determine how to best handle each situation in order to maintain a continuing rapport between the business contact and the industrial firm.<br><br>Divide students into pairs and have each pair plan, prepare, and present a role-playing situation in which the industrial marketer properly (or improperly) handles a problem with a business contact in order to maintain a good business relationship with that contact. Discuss each role-play and how the situation might be better handled. Also, discuss the effects of the poorly-handled examples. | Practical Human Relations<br>Section 1<br><br>Effective Human Relations in Business<br>Chapter 1<br><br>Selling Principles and Practices<br>Chapter 22<br><br>What Every Supervisor Should Know - Chapter 3<br><br>Sales Management<br>Chapter 8<br><br>Industrial Marketing Strategy<br>Chapter 3 |
| OTHER CLUSTER COMPETENCIES:<br><br>269<br>1538<br>1539 | | |

# Human Relations



## Cluster Instructional Objective: DISPLAY INTERPERSONAL SKILLS WHEN DEALING WITH BUSINESS RELATIONSHIPS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1538<br>Effect harmonious relations with all channel components and facilitating agencies. | Discuss the importance of establishing and maintaining harmonious relations with channel components and facilitating agencies to the industrial mareter. Have students determine whether formal or informal coordination (or a combination of the two) of communication is best for these kinds of relationships.<br><br>Have students identify a list of actions an industrial marketer can take to maintain harmonious relations with channel components and facilitating agencies.<br>Examples:<br>1) Keep lines of communication open between firms.<br>2) Provide incentives to channel components so that they will desire to participate in all marketing programs (special cooperative marketing programs, etc.).<br>3) Provide training programs for customers' salespeople.<br>4) Provide assistance with management problems as they deal with your firm's products (maintaining ideal inventory, analyzing profit/loss of your product offerings, etc.).<br><br>(Continued on next page.) | Sales Management<br>Chapter 9<br><br>Programmed Learning Aid for Principles of Marketing<br>Chapter 21<br><br>Marketing Today<br>Chapter 16<br><br>Marketing: Basic Concepts and Decisions - Chapter 9<br><br>Fundamentals of Marketing<br>Chapter 16 |

OTHER CLUSTER COMPETENCIES:

269
1537
1539

# Human Relations

## Cluster Instructional Objective: DISPLAY INTERPERSONAL SKILLS WHEN DEALING WITH BUSINESS RELATIONSHIPS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1538 (Cont.) | Provide cases which show how a lack of communications or improper coordination of efforts can create problems for industrial firms. Students should discuss each case and offer solutions or suggestions for improvement.<br>Example:<br>Several people from different departments of a firm call the same business contact about a problem v.s. department heads notify the liason person of the problem, and s/he then notifies the business contact. | |

# Human Relations



## Cluster Instructional Objective: DISPLAY INTERPERSONAL SKILLS WHEN DEALING WITH BUSINESS RELATIONSHIPS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 269<br>Build sound working relationships in "forced" associations. | Have students identify a list of business situations which could be considered "forced associations" and suggest how each should be handled. Stress that although these relationships might be unpleasant, they are often unavoidable and must be effectively dealt with. | Effective Human Relations in Business<br>Chapter 13<br><br>What Every Supervisor Should Know - Chapter 5 |
| | Give students a list of case situations in which the industrial marketer must deal with a "forced association." Students should determine how to handle each situation in order to build a sound working relationship, yet maintain ethical standards.<br>Example: RECIPROCITY<br>Although there is an unwritten agreement for firms to buy from each other, the buyer feels uncomfortable to have to do so. S/he must be able to handle the situation without belittling the firm for putting him/her in that position. | |
| OTHER CLUSTER COMPETENCIES:<br><br>1537<br>1538<br>1539 | Have students cite personal examples of "forced" associations they have experienced or observed, how the relationships progressed, and what was done (or could have been done) to improve those relationships. | |

# Human Relations

## Cluster Instructional Objective: DISPLAY INTERPERSONAL SKILLS WHEN DEALING WITH BUSINESS RELATIONSHIPS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1539<br>Interact socially and professionally with professional organizations, civic groups, and government agencies. | Discuss why it is important for the industrial marketer to participate in professional and civic activities. Point out that a professional business person must be willing to cooperate with other organizations, help promote the industry, help promote the welfare of the community, etc.<br><br>Provide case studies for students to read and discuss involving interaction with professional organizations, civic groups, and government agencies.<br>Example:<br>A professional organization asks your firm to participate in a conference. As the firm's official representative, you help coordinate the conference, provide or obtain speakers, help defray expenses, etc. | |

OTHER CLUSTER COMPETENCIES:

269
1537
1538

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

### Competency

1540
Understand and apply high ethical standards.

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1544 |
| 295 | 1545 |
| 296 | 1546 |
| 316 | 1547 |
| 1541 | 1548 |
| 1542 | 1549 |
| 1543 | 1550 |



### Suggested Learning Activities

Invite the marketing manager of a large industrial firm to speak to students about ethics in the industrial marketing profession. (Students should have specific prepared questions to ask the speaker.)

Hold a class discuss on ethics in industrial marketing. Point out that employees should believe in and uphold policies of the firm, and should present policies and procedures to clients and stand by them, getting any exceptions first OK'd by management. Describe various "tricky" situations and ask for student suggestions on how to handle each.

Give students a series of case problems involving business situations and ethics. Each student should prepare written solutions or alternatives for each problem, and then share their answers in a class discussion.

Examples:

--The industrial salesperson is asked to provide a concession to one firm at the expense of another.

--You have a chance to win a large contract from the army that would mean a great deal to you and your firm, but the contract officer indicates that he would be positively influenced by a substantial "gift."

--A competitor is planning to announce a new product feature to a selected set of clients in her suite at a trade show, and you feel that it would be easy to send a "spy."

### References

Professional Selling:
Inside and Out
Chapter 22

Selling Principles and Methods
Chapter 17

Selling: A Self-Management
Approach - Chapter 10

Selling Principles and Practices
Chapter 23

Selling Today
Chapter 18

Selling: The Personal Force
in Marketing - Chapter 23

Purchasing Management
Chapter 19

Management: Concepts and
Practices - Chapter 17

The New Management
Chapter 20

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1541<br>Feel a sense of obligation--or a conscience--toward other persons. | Discuss with students why it is important for the industrial marketer to feel a sense of obligation (or conscience) toward other persons in business relationships. Stress that the industrial marketer must accept others' questions as real problems and sincerely try to help, and must never suggest an alternative that would not be in that person's (or firm's) best interests merely to boost sales, etc.<br><br>Provide case studies for students to read and discuss regarding some business situations in which the industrial marketer demonstrates a sense of obligation toward a client or other business contact and some situations in which s/he demonstrates unscrupulousness in business dealings. Discuss each situation, the beneficial or harmful effects, and how each might be better handled to ensure continuing rapport. | |

OTHER CLUSTER COMPETENCIES:

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|---|---|
| 284 | 1544 |
| 295 | 1545 |
| 296 | 1546 |
| 316 | 1547 |
| 1540 | 1548 |
| 1542 | 1549 |
| 1543 | 1550 |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 295<br>Accept criticism and turn it into a character-building element. | Give a presentation on how to accept and use criticism to build character. Stress that we must be willing to look at a situation as the facts present; If deserving of criticism, we must accept it and use it to improve ourselves. Have students cite examples of times they were criticized and how they reacted to the criticism. | Effective Human Relations in Business<br>Chapter 3<br><br>Management-Minded Supervision<br>Pages 78-9; 202-4 |
| | Have students cite examples of when they were the sender or receiver of criticism or witnessed others receiving or giving criticism. List on a blackboard or transparency the methods cited of giving and receiving criticism, and discuss any means of improving these methods. | Principles of Creative Selling<br>Chapter 6 |
| | Provide students with a list of examples in which supervisors are criticizing employees. Have students either write replies to the criticisms or discuss each situation in class. | |

OTHER CLUSTER COMPETENCIES:

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|---|---|
| 284 | 1544 |
| 296 | 1545 |
| 316 | 1546 |
| 1540 | 1547 |
| 1541 | 1548 |
| 1542 | 1549 |
| 1543 | 1550 |

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1542<br>Overcome discouragement with perseverance. | Have students identify a list of business situations in which an industrial marketer might become discouraged, then discuss why this discouragement must be overcome with perseverance--why the industrial marketer cannot give up but must continue working toward an objective with modified strategies, etc.<br><br>Given a list of typical discouraging situations in industrial marketing, students should suggest alternatives for those involved.<br>Example:<br>--A continuing downward decline in sales in a particular territory.<br>(Salesperson: must analyze situation to determine reasons(s)--may not be poor selling tactics but some other conflict which can be resolved.<br>Sales or Marketing Manager: must also analyze situation and apply proper motivation to salesperson.) | Fundamentals of Marketing<br>Pages 434-5 |

OTHER CLUSTER COMPETENCIES:

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|---|---|
| 284 | 1544 |
| 295 | 1545 |
| 296 | 1546 |
| 316 | 1547 |
| 1540 | 1548 |
| 1541 | 1549 |
| 1543 | 1550 |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 316<br>Recognize the need for and adjust to change. | Have students list the various changes--physical, mental, and emotional--that a person goes through in his/her lifetime. Then, discuss typical changes that one can anticipate in his/her career life, such as: relocation; taking on or giving up responsibilities; management shake-ups; changes in procedures, policies, and/or methods; retraining for new job tasks or returning to school for an advanced degree; being fired, being promoted; etc.<br>Management can help employees cope with changes by:<br>1) Communicating the change effectively.<br>2) Stressing the benefits.<br>3) Involving employees in planning and implementing the change.<br>4) Displaying empathy for their individual problems.<br>5) Effectively timing the announcement. | Effective Human Relations In Business - Chapter 14<br><br>Practical Human Relations Chapter 16<br><br>The New Management Chapter 16<br><br>Management: Concepts and Practices - Chapter 10<br><br>Supervision: Principles of Professional Management Chapter 18<br><br>Management-Minded Supervision Chapter 4 |
| OTHER CLUSTER COMPETENCIES:<br><br>284 1544<br>295 1545<br>296 1546<br>1540 1547<br>1541 1548<br>1542 1549<br>1543 1550 | Explain how to adjust to change using these six steps:<br>1) Recognize the change.<br>2) Understand why the change is necessary.<br>3) Develop willingness to accept the change.<br>4) Accept the change.<br>5) Adjust to the change.<br>6) Anticipate further changes.<br>Have students recall and give instances where they were subjected to changes at work and how they adjusted to them. | |



(Continued on next page)

# Human Relations

**Cluster Instructional Objective:** DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 316 (Cont.) | Provide students with handouts listing these questions:<br>"Thinking back over the past five years of your life--<br>1. What major changes have occurred?<br>2. How did you react to these changes?<br>3. Why did you react as you did?<br>4. Did you accept or reject these changes when they occurred?"<br>Students can either write their answers or just think about them.<br><br>Provide case studies for students to read and discuss in which a change occurs and certain results follow as a result of proper handling of the situation.<br>Example:<br>The industrial firm must drop a particular functional area--employees must be treated fairly, communicated to in a straightforward way, and helped to adjust to the change. | |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 284<br>Maintain an objective point of view in problem situations. | Discuss with students WHAT is meant by an objective point of view, WHY it is important to maintain an objective point of view, and WAYS to maintain an objective point of view. Point out that when dealing with people, we must be careful and not become biased, but must get the facts and much information before making any decision.<br><br>Provide case studies dealing with problem situations common to industrial marketers. Students should discuss the effects of maintaining (or NOT maintaining) an objective point of view on public relations, sales, the image of the firm, etc.<br><br>Divide students into pairs and have each pair plan and present a role-playing situation, showing the effects of maintaining (or NOT maintaining) an objective point of view in problem situations. Discuss each situation and how it was handled (or SHOULD have been handled). | Selling Principles and Practices<br>Chapter 21<br><br>Effective Human Relations in Business - Chapter 13<br><br>Selling: A Self-Management Approach - Chapter 8<br><br>Selling<br>Chapter 11 |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 295 | 1544 |
| 296 | 1545 |
| 316 | 1546 |
| 1540 | 1547 |
| 1541 | 1548 |
| 1542 | 1549 |
| 1543 | 1550 |

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1543<br>Disagree in a professional manner. | Have students identify a list of business situations common to an industrial marketer in which s/he must disagree with another person(s). Discuss how to handle such disagreements in a professional manner--by being prepared to present ideas in a sound, professional way and following the code of ethics.<br><br>Provide case studies for students to read and discuss in which an industrial marketer disagrees with a co-worker or business contact in a professional (or unprofessional) manner. Describe the results that may occur in each situation, and how to better handle some situations.<br><br>Have each student participate in a role-play where s/he is confronted with a situation in which s/he must voice disagreement. Evaluate each student's ability to disagree in a professional manner. | Effective Human Relations in Business - Chapter 8<br><br>Selling: A Self-Management Approach - Chapter 8 |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1544 |
| 295 | 1545 |
| 296 | 1546 |
| 316 | 1547 |
| 1540 | 1548 |
| 1541 | 1549 |
| 1542 | 1550 |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

### Competency

1544
Understand and accept that a professional appearance is necessary for business success.

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1545 |
| 296 | 1546 |
| 316 | 1547 |
| 1540 | 1548 |
| 1541 | 1549 |
| 1542 | 1550 |

### Suggested Learning Activities

Have students draft a "dress code" for an industrial firm's representatives, determining what is proper and improper in order to maintain a professional appearance. Students should consider these factors:

1) Simplicity - the color and design of clothing will communicate a message to business contacts
2) Appropriateness - must consider the clients served or contacts to be met and what will be acceptable to them
3) Quality - the business image is influenced by the quality of the representative's wardrobe, which should be considered an investment in personal success.

Discuss with students the importance of a professional appearance to business success, stressing that an employee must accept and conform to the standards of the profession. Provide examples of situations in which an improper or unprofessional appearance may have harmful effects to both the individual and the firm.

Example:

Bob, a marketing manager, has been asked to speak at a professional meeting. He goes in wearing a sloppy, worn suit, unshined shoes, and with unkempt hair to address the group. After the meeting, several letters come in to the President of Bob's firm. Bob's presentation was good, but the image he portrayed was terrible. What does the President do about the situation?

### References

Selling Today
Chapter 6

Effective Human Relations
in Business - Chapter 11

Selling Principles and Practices
Chapter 4

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1545<br>Achieve a proper balance among work, play, love, and spiritual values. | Discuss with students why it is important for a businessperson to maintain a proper balance among work, play, love, and spiritual values if s/he is going to be successful--both personally and professionally. Point out that an individual cannot be a one-dimensional person, but must be well-rounded in order to be personally happy; one must be happy to get along with associates and perform work successfully.<br><br>Have each student write a brief paper in which s/he describes how s/he would strive to achieve a proper balance among work, play, love, and spiritual values as an industrial marketer, and the importance of doing so. | Effective Human Relations in Business - Chapter 7 |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1544 |
| 296 | 1546 |
| 316 | 1547 |
| 1540 | 1548 |
| 1541 | 1549 |
| 1542 | 1550 |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1546<br>Exemplify emotional stability and maturity. | Have students identify typical business situations in which it would be necessary for an industrial marketer to demonstrate emotional stability and maturity. Students may also cite examples of times when they witnessed a salesperson or other business representative demonstrating these characteristics (or lack of them) and what happened as a result.<br><br>Provide case studies for students to read and discuss in which an industrial marketer shows emotional stability and maturity (or lack of them) when handling business situations.<br>Example:<br>A marketing manager has just determined from a printout that sales in a particular territory are declining fantastically-- s/he must not overact and chew the sales representative out without checking the facts and appraising the situation objectively.<br><br>Have each student participate in a role-play where s/he is confronted with a trying situation. Evaluate each student's ability to demonstrate emotional stability and maturity when handling the situation. | Effective Human Relations in Business - Chapter 9<br><br>Selling: A Self-Management Approach - Chapter 8<br><br>Sales Force Management Chapter 11 |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1544 |
| 296 | 1545 |
| 316 | 1547 |
| 1540 | 1548 |
| 1541 | 1549 |
| 1542 | 1550 |

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1547<br>Be agressive and goal-oriented. | Discuss with students the importance of being agressive and goal-oriented to success in the industrial marketing profession. Point out that when developing goal-planning programs for individuals or organizations, these factors should be considered:<br>1) Goals should be established in several areas.<br>2) Establish short-term and long-term goals.<br>3) Make goals measurable in some way so you will know when you've "got it."<br>4) Look at your goals frequently and mark them off as they are achieved.<br>5) Build in a system of special rewards when significant objectives are met.<br><br>On paper, have each student write his/her personal goals for the next five years. What specific things would s/he like to accomplish? Where does s/he want to be, in terms of a career and personal life?<br><br>Obtain a statement of goals and objectives from one or more industrial marketing firms. Have students assume they are employed by one of the firms and write a set of personal goals that will coincide with the organizational goals. | Managerial Communication<br>Chapter 2<br><br>Selling Today<br>Pages 84-5<br><br>Professional Selling:<br>Inside and Out<br>Chapter 23<br><br>Selling<br>Pages 381-3<br><br>Selling Principles and Methods<br>Pages 463-4 |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1544 |
| 296 | 1545 |
| 316 | 1546 |
| 1540 | 1548 |
| 1541 | 1549 |
| 1542 | 1550 |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 296<br>Demonstrate initiative and creativity. | Discuss with students the importance of initiative and creativity to success in the industrial marketing profession--why one must demonstrate leadership by developing ideas to improve methods or procedures, creating a better working environment, devising ways to help others achieve goals with the least effort, etc. Discuss these five phases of the creative process:<br>1) a recognized need or problem<br>2) knowledge<br>3) creative thought<br>4) action<br>5) problem solution or need satisfier. | Supervision: Principles of Professional Management<br>Chapter 4<br><br>Selling Principles and Practices - Chapter 21<br><br>Selling<br>Chapter 13<br><br>Principles of Creative Selling<br>Chapter 6 |
| OTHER CLUSTER COMPETENCIES:<br><br>284 1544<br>295 1545<br>316 1546<br>1540 1547<br>1541 1548<br>1542 1549<br>1543 1550 | Given case problems dealing with typical situations that may occur in the industrial marketing business students should prepare written responses in which they list at least two ways one could show initiative and/or creativity in each situation. Students may then share their ideas in a class discussion.<br><br>Have students write a brief essay explaining why initiative and creativity are instrumental for job success and promotion, and describing ways that initiative and creativity may be shown by an industrial marketer.<br><br>(Continued on next page.) | |

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 296 (Cont.) | Have students participate in role-playing situations in which they must:<br>1) demonstrate initiative and/or the willingness to perform extra duties when necessary.<br>2) demonstrate creativity in presenting a policy or solving a problem. | |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1548<br>Be able to take charge and control situations. | Discuss with students why it is important for a business professional to be able to take control in certain situations. Have students identify typical situations in which it would be necessary for an industrial marketer to possess this trait. Point out that when a problem occurs, one cannot put it off--but must step in, take charge, and handle the situation in order to solve the problem quickly and in a way that creates the least stress among the people involved.<br><br>Given case problems dealing with typical situations that may occur in the industrial marketing business, students should determine how to effectively take control and handle each situation. Students may then share their ideas in a class discussion.<br><br>Develop role-playing situations involving common business settings. Participants should demonstrate the ability to take charge or show leadership in those situations. | |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1544 |
| 296 | 1545 |
| 316 | 1546 |
| 1540 | 1547 |
| 1541 | 1549 |
| 1542 | 1550 |

# Human Relations

## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1549<br>Learn how to apply intuition with discretion. | Explain to students that although intuition often plays a part in business transactions, one must realize the need for carefully weighing and evaluating intuitive feelings about a client or agency, and tempering that intuition with discretion. Since this skill is generally learned through experience, one must be especially careful when beginning a new job or new business relationship.<br><br>Have students identify decision areas common in industrial marketing that tend to rely more on intuition than hard facts. Students should list possible intuitive feelings that may form the basis for such decisions.<br><br>Provide case studies for students to read and discuss regarding business situations where salespeople, managers, or other business employees must apply intuition with discretion. Examples should show both pleasant and unpleasant outcomes according to how the situations were handled. | Management: Concepts and Practices - Chapter 4 |

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1544 |
| 296 | 1545 |
| 316 | 1546 |
| 1540 | 1547 |
| 1541 | 1548 |
| 1542 | 1550 |

# Human Relations



## Cluster Instructional Objective: DISPLAY PERSONAL CHARACTERISTICS NECESSARY FOR SUCCESS IN THE INDUSTRIAL MARKETING PROFESSION.

### Competency

1550
Temper optimism with reality.

OTHER CLUSTER COMPETENCIES:

| | |
|---|---|
| 284 | 1543 |
| 295 | 1544 |
| 296 | 1545 |
| 316 | 1546 |
| 1540 | 1547 |
| 1541 | 1548 |
| 1542 | 1549 |

### Suggested Learning Activities

Explain to students that although it is important to be optimistic in business dealings and life in general, one must temper this optimism with reality. Have students list examples of problems that can occur from overoptimism.

Have students discuss the ramifications of over-optimistic thinking and expectations in industrial marketing transactions. Students should identify preventative measures that can be taken to ensure more realistic decision-making.

Example:
Setting unrealistically high sales objectives. (Salesperson would eventually become extremely frustrated when s/he could not meet this goal. A goal set high, but attainable, would provide proper motivation.)

### References

# Management

## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1259<br>Know and understand the importance of establishing sound operational policies.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1260<br>1261<br>1262<br>1263 | Explain to students that a policy is a predetermined guide established to solve problems in advance and communicate foundation facts upon which subsequent decisions should be made. Policies insure consistency of decision making throughout the organization. There are several general principles for managers to consider in order to create appropriate policies:<br>1) Policies must be based on a thorough analysis of corporate objectives.<br>2) Policies should be based on facts and known principles.<br>3) Policies of different departments should be coordinated.<br>4) Policies should be definite, understandable, and in writing.<br>5) Policies should be flexible and stable.<br>6) Policies should be comprehensive in scope.<br>Point out that since policies are such vital aids in decision making, it is essential that they be explicitly stated and communicated to those in the organization who are to apply them. Remember, a policy can always be changed or discontinued if conditions or circumstances change.<br><br>Obtain, if possible, a statement of company policies from several industrial firms for students to examine and discuss. Provide a list of questions about different subject areas covered by the policy manuals<br><br>(Continued on next page.) | Management: Concepts and Practices - Chapter 2<br><br>What Every Supervisor Should Know - Chapter 8<br><br>The New Management Chapter 5<br><br>Supervision: Concepts and Practices of Management Chapter 7<br><br>Sales Management Chapter 4<br><br>Management of the Sales Force Chapter 2<br><br>Sales Force Management Chapter 3<br><br>Introduction to Management Chapter 5 |

# Management



## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1259 (Cont.) | for students to research. Discuss what results might occur if these questions were not answered by predetermined policies.<br><br>Divide students into small groups and give each group a set of situations that commonly occur in industrial marketing operations. Groups should formulate a policy statement(s) to cover each situation, then share their ideas in a class session. | |

# Management

## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1260<br>Understand the importance of effective planning.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1259<br>1261<br>1262<br>1263 | Explain to students that in planning, a manager projects a course of action for the future, attempting to accomplish a consistent and coordinated structure of operations aimed at desired results. Planning must come before other managerial functions. Discuss the basic steps in the planning process:<br>1) Choose objectives<br>2) Communicate objectives<br>3) Identify assumptions<br>4) Survey resources<br>5) Establish policies<br>6) Choose alternatives and take action<br>7) Create procedures and rules<br>8) Establish budgets<br>9) Develop timetables<br>10) Establish standards for evaluation.<br>Discuss why each step is integral to the planning process and why planning is so important to the entire organization.<br><br>Point out to students that plans are usually classified according to their duration and purpose:<br>1) Long-range plans<br>2) Short-range plans<br>3) Standing plans<br>4) Single-use plans.<br>Discuss each classification and how it is used. Students should identify situations that call for each type of plan.<br><br>(Continued on next page.) | What Every Supervisor Should Know - Chapter 8<br><br>The New Management Chapter 5<br><br>Management: Concepts and Practices - Chapter 2<br><br>Supervision: Principles of Professional Management Chapter 8<br><br>Supervision: Concepts and Practices of Management Chapters 7, 8<br><br>Sales Force Management Chapter 2<br><br>Introduction to Management Part Two |

# Management



## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1260 (Cont.) | Assign each student a typical industrial marketing objective. S/he should determine the type of plan called for and develop a suitable plan to achieve the objective, following each step in the planning process. Students should present their plans to the class and ask for comments and/or suggestions for improvement. | |

# Management

## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

### Competency

1261
Establish efficient time management habits.

OTHER CLUSTER COMPETENCIES:

1259
1260
1262
1263



### Suggested Learning Activities

Discuss with students popular time-wasting habits, which include: trouble getting started, decision by committee, procrastination, lack of planning, lack of priorities, not following through, haste, overcommitment, visitors, telephone interruptions, ineffective meetings, wasted travel time, lack of delegation, and indecision. Students should identify possible causes and offer solutions for each bad habit. Stress the importance of establishing effective time management habits by pointing out work problems that could be alleviated by eliminating the above bad habits.

Explain to students that before we can begin to use our time more effectively, we must determine how it is presently being used. A time log or inventory is useful in cataloging activities and discovering what is wasting our time. These steps should be followed when using a time log:

1) Set up time categories.
2) Set goals for each day.
3) Keep a record of your time.
4) Keep records for at least a week (two weeks would be a more accurate indication) and summarize.
5) Compare percentage estimates with actual time percentages.
6) Evaluate your use of time.

Show students an example of a kept time log.

(Continued on next page.)

### References

Supervision: Principles of Professional Management
Chapter 5

Management-Minded Supervision
Chapter 11

Selling Today
Chapter 19

Selling Principles and Practices
Chapter 20

Selling: A Self-Management Approach - Chapter 11

Selling
Chapter 15

Principles of Creative Selling
Chapter 25

Introduction to Professional Selling - Chapter 12

# Management

## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1261 (Cont.) | Have students conduct a time inventory. Students should log activities both on and off the job to determine if time and effort are being wasted, and how to improve performance. Students should also identify bad habits and devise a plan to break them. Acquiring new time-use habits can be done if you:<br>1) Begin a strong campaign against the old habit.<br>2) Do not tolerate exceptions until the new habits are firmly established.<br>3) Begin changing your behavior as soon as you resolve to change.<br>Students should check their progress at monthly intervals. | |

# Management

## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1262<br>Organize personal travel in a way that saves time and minimizes costs.<br><br>1263<br>Read and understand city and state maps in order to plan travel. | Explain to students that a systematic routing plan is needed to avoid haphazard coverage of the territory. Factors to be considered when planning travel include: size of the territory, number of accounts, concentration of business, call frequency, approximate length of each call, and mode of transportation. Discuss how to apply these factors to the six common types of routing plans:<br>1) circular<br>2) cloverleaf<br>3) leap frog<br>4) straight line<br>5) skip stop<br>6) computerized models.<br>Obtain actual samples of routing plans from industrial firms for students to examine and discuss. | Selling: The Personal Force in Marketing - Pages 201-7<br><br>Selling Today<br>Chapter 19<br><br>Selling Principles and Practices<br>Chapter 20<br><br>Introduction to Professional Selling - Pages 297-8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1259<br>1260<br>1261 | Provide case problems in which different territories and sales situations are described. Students should determine how to best organize travel time in order to meet objectives in each case. Compare and evaluate plans in a class discussion.<br><br>Distribute copies of a city map and state map to students. Discuss how to read and understand the maps in order to effectively plan business travel. Include in the discussion these topics:<br><br>(Continued on next page.) | |

# Management



## Cluster Instructional Objective: COMPREHEND THE IMPORTANCE OF PLANNING AND POLICY MAKING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1262<br>1263 (Cont.) | 1) how to interpret the map's legend<br>2) how to approximate distances<br>3) how to use city or street indexes<br>4) how to use mileage charts in planning<br>5) how to determine best road for specific purpose, i.e., interstate--speed, county roads through unfamiliar towns--prospecting.<br><br>Provide each student with a map of a different territory which indicates the home office, key customers, other customers, key prospects, and other prospects. Instructions to sales representatives state that key customers and prospects are to be seen at least twice a month and other customers and prospects at least monthly. Each student should assume that s/he is the sales representative assigned to that particular territory and determine:<br>1) What method(s) of routing should be used?<br>2) Would same route be used each time? Why or why not?<br>3) Plotting of progress through the territory, keeping in mind predetermined call frequency. | |

# Management

## Cluster Instructional Objective: IDENTIFY INDUSTRIAL MARKETING STRATEGIES.

### Competency

1264
Know and understand the basic marketing variables and how they are interrelated.

OTHER CLUSTER COMPETENCIES:

1265
1266
1267

223

### Suggested Learning Activities

Present to students the basic variable elements in the marketing mix:

1) The product variable: product planning; product features, reliability, and quality; developing the package and creating a brand name; etc.
2) The price variable: price of product; terms of sale; sales services; etc.
3) The distribution variables: channels (logistics and facilities); transportation and storage systems; motivating middlemen; etc.
4) The promotion variable: personal selling, advertising, sales promotion, publicity, etc.

Discuss the decisions and activities that are related to each variable, and how they are interrelated.

Divide students into four groups, and assign each group one of the marketing variables to research. Students should prepare a report which explains the components of each variable, the decisions and activities that are related to each variable, and describe the relationship between the four elements of the marketing mix.

### References

Industrial Marketing for Results
Chapter 4

Marketing Today
Chapter 1

Foundations of Marketing
Chapter 1

Marketing: An Integrated Approach - Chapter 1

Marketing: Basic Concepts and Decisions - Chapter 1

Industrial Marketing Strategy
Chapters 5, 7, 8, 9

224

# Management



## Cluster Instructional Objective: IDENTIFY INDUSTRIAL MARKETING STRATEGIES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1265<br>Know and understand the internal and external environments related to or affecting the marketing effort. | Present to students the marketing environmental variables that affect marketing decisions and activities:<br>1) Internal environment<br>a) goals and philosophy of the organization<br>b) cooperation among departments<br>c) research and development<br>d) company resources<br>2) External environment<br>a) political forces<br>b) legal and regulatory forces<br>c) societal forces<br>d) economic forces<br>e) technological forces<br>f) competition<br>g) shortage of natural resources<br>h) consumer movements<br>Discuss the influence that each factor has on a firm's marketing strategy and determine the amount of control a marketing manager has over each.<br><br>Have students write a report in which they describe and contrast the marketing manager's environments, indicating the degree of control a marketing manager has over each environmental variable. | Sales Force Management<br>Chapter 2<br><br>Contemporary Marketing<br>Chapter 2<br><br>Foundations of Marketing<br>Chapter 2<br><br>The New Marketing<br>Chapter 3<br><br>Modern Marketing<br>Chapter 2<br><br>Marketing: An Integrated Approach - Chapter 2<br><br>Marketing: Basic Concepts and Decisions - Part Six |
| OTHER CLUSTER COMPETENCIES:<br><br>1264<br>1266<br>1267 | | |

# Management

## Cluster Instructional Objective: IDENTIFY INDUSTRIAL MARKETING STRATEGIES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1266<br>Blend the marketing variables together to produce a total program of action. | Discuss with students the six basic steps of the marketing process and how to accomplish each:<br>1) Select target markets.<br>2) Offer products customers want.<br>3) Make products easily accessible to customers.<br>4) Offer products at the right price.<br>5) Explain the merits of a product and its competitive advantages (promotion).<br>6) Gain customer satisfaction through implementation of the marketing concept.<br><br>Invite the marketing manager of a large industrial firm to speak to the class on how to successfully integrate a firm's marketing programs.<br><br>Divide students into groups and let each group assume that it is the marketing manager for an industrial firm. Develop a narrative for each group which describes the variables present for the marketing of a particular product. Each group should prepare a marketing strategy with a detailed program of action for accomplishing each step. | Industrial Marketing Management<br>Chapter 5<br><br>Marketing Today<br>Chapter 2<br><br>Foundations of Marketing<br>Chapter 21<br><br>Marketing: An Integrated Approach - Chapter 24<br><br>Marketing: Basic Concepts and Decisions - Chapter 18<br><br>Industrial Marketing Strategy<br>Chapter 11 |
| OTHER CLUSTER COMPETENCIES:<br><br>1264<br>1265<br>1267 | | |

# Management



## Cluster Instructional Objective: IDENTIFY INDUSTRIAL MARKETING STRATEGIES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1267<br>Coordinate marketing activities with other major functional areas. | Lead a discussion on the importance of coordinating marketing activities with other functional areas within the firm. Point out that Marketing's function is to provide information on customer desires and characteristics, and then work with other departments to achieve the firm's overall objectives. Identify conflicts that commonly occur between Marketing and other departments and how to avoid them.<br>EXAMPLES:<br>--Engineering would prefer long design lead times and few product models with standard components while Marketing might want short design lead times and many models with custom components.<br>--Credit wants full financial disclosures by customers with tough credit terms and collection procedures while Marketing prefers minimum credit examination of customers along with easy credit terms and collection procedures.<br>--Inventory Management prefers fast-moving products and economic stock levels while Marketing wants a broad product line and large levels of stock to cover customer demands.<br>--Finance wants strict rationales for spending, hard and fast budgets, and pricing to cover costs while Marketing prefers flexible budgets to meet changing needs and pricing to further market development.<br>(Continued on next page.) | Sales Management<br>Chapter 8<br><br>Marketing: An Integrated Approach - Chapter 24<br><br>Marketing Management: A Planning Approach - Chapter 11<br><br>Marketing: Basic Concepts and Decisions - Chapter 2 |
| OTHER CLUSTER COMPETENCIES:<br><br>1264<br>1265<br>1266 | | |

# Management

## Cluster Instructional Objective: IDENTIFY INDUSTRIAL MARKETING STRATEGIES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1267 (Cont.) | Provide case studies for students to read and discuss which exemplify the importance of coordination between the Marketing department and other departments within the firm. Have students identify possible outcomes and methods to resolve or avoid conflicts. | |

# Management



## Cluster Instructional Objective: APPLY APPROPRIATE DECISION-MAKING MODELS IN SOLVING MANAGEMENT PROBLEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1268<br>Formulate reasonable goals and objectives.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1269<br>1270<br>1271<br>1272<br>1273 | Explain to students that there are several external factors that influence the formulation of organizational goals and objectives, including: competition, stockholders, customers, unions, suppliers, creditors, the public, and the government. The emphasis on objectives may change depending on the impact of a particular environmental factor or group of factors present at a given time. The main types of objectives formulated in organizations in our society are:<br>1) economic objectives (survival, profit, growth)<br>2) service objectives (creation of economic value for society)<br>3) personal objectives (goals of individuals and groups within the organization).<br>Discuss each type of objective and have students identify several organizational goals that would fit under each category.<br><br>Discuss with students the process of goal creation, pointing out that objectives should be well thought out and concisely stated. Go over types of conflict that can occur when creating objectives -- real goals may conflict with stated goals; an organization may have multiple and sometimes conflicting goals; goal distortion. These suggestions should be followed when setting goals:<br>1) Establish goals in all areas (not just profits).<br>2) Establish both short-term and long-term goals.<br><br>(Continued on next page.) | Managerial Communication<br>Chapter 2<br><br>Management: Concepts and Practices - Chapters 2, 3<br><br>Supervision: Concepts and Practices of Management<br>Chapter 7<br><br>Programmed Learning Aid for Supervision - Chapter 3<br><br>Sales Management<br>Chapters 1, 3<br><br>Industrial Marketing<br>Chapter 23<br><br>Introduction to Management<br>Chapter 4 |

# Management

## Cluster Instructional Objective: APPLY APPROPRIATE DECISION-MAKING MODELS IN SOLVING MANAGEMENT PROBLEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1268 (Cont.) | 3) Make goals as measurable as possible.<br>4) Review goals frequently and mark them off as they are achieved.<br>5) Build in a system of rewards when significant objectives are met.<br><br>Have students formulate goal statements from company descriptions and other hypothetical data which you provide. | |

# Management



## Cluster Instructional Objective: APPLY APPROPRIATE DECISION-MAKING MODELS IN SOLVING MANAGEMENT PROBLEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1269<br>Evaluate control measures and take action as necessary to achieve established goals and objectives. | Explain to students that the determination of how organizational objectives will be achieved is called strategic planning. Specific tasks to be accomplished in strategic planning are determined by corporate objectives and the type of business in which the firm is engaged. Discuss each phase of the strategic planning process:<br>1) Formulate objectives (see Management competency #1268).<br>2) Evaluate present strengths and weaknesses.<br>3) Forecast the external environment.<br>4) Revise long-term organizational goals.<br>5) Identify objectives of each functional department. (Functional goals must contribute to the accomplishment of organizational goals.)<br>6) Develop operating plans and programs for each function. | Sales Management<br>Chapter 1<br><br>Sales Force Management<br>Part 3<br><br>Supervision: Principles Of Professional Management<br>Chapter 12<br><br>What Every Supervisor Should Know - Chapter 12<br><br>Purchasing Management<br>Chapter 22<br><br>Industrial Marketing<br>Chapter 24<br><br>Introduction to Management<br>Chapters 19, 20 |
| OTHER CLUSTER COMPETENCIES:<br><br>1268<br>1270<br>1271<br>1272<br>1273 | Discuss these tools commonly used for control purposes:<br>1) Gantt chart<br>2) Network analysis<br>3) PERT (Program Evaluation Review Technique)<br>4) CPM (Critical Path Method).<br>Also discuss procedures to follow when corrective action is necessary.<br><br>Provide case problems in which typical industrial marketing situations are described. Students should:<br>1) evaluate each situation to see if goals are being met.<br>2) if not, determine why.<br>3) determine what corrective measures should be taken.<br>Have students compare answers. | |

# Management

## Cluster Instructional Objective: APPLY APPROPRIATE DECISION-MAKING MODELS IN SOLVING MANAGEMENT PROBLEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1270<br>Identify and define problems. | Explain to students that the first step in decision making is determining if a problem actually exists. George Terry gives this definition: "A problem is an imbalance represented by a deviation greater than desired, between what is expected and what is taking place." Discuss how to identify problems, stressing that the actual problem is often hidden by symptoms. | Programmed Learning Aid for Supervision - Chapter 4<br><br>Supervision: Concepts and Practices of Management Chapter 5<br><br>What Every Supervisor Should Know - Chapter 32 |
| | Tell students that sometimes the simple identification of a problem will suggest its obvious solution. However, analysis of potential problems can often prevent the problem from ever occurring. Answering these questions can help anticipate problems.<br>1) What is expected or wanted?<br>2) What can go wrong?<br>3) What are possible causes of the problem?<br>4) What preventative action can be taken?<br>5) When should the alternative plan go into action? | |
| OTHER CLUSTER COMPETENCIES:<br><br>1268<br>1269<br>1271<br>1272<br>1273 | Provide students with case problems involving typical industrial marketing situations. Students should identify the problem(s) and/or potential problem(s) in each situation and what corrective or preventative measures should be taken. | |

# Management



## Cluster Instructional Objective: APPLY APPROPRIATE DECISION-MAKING MODELS IN SOLVING MANAGEMENT PROBLEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1271<br>Generate, evaluate, and select alternative solutions and strategies to problems. | Discuss the steps in the problem-solving process and how to apply each:<br>1) State the problem clearly and specifically.<br>2) Define the exact situation at present.<br>3) Collect all information relevant to the problem.<br>4) List all possible causes for the problem.<br>5) Identify the most likely cause.<br>6) List all possible alternative actions.<br>7) Evaluate each proposed solution.<br>8) Choose the best alternative.<br>9) Draw up a plan of action.<br>10) Evaluate the results. | Management: Concepts and Practices - Chapter 4<br><br>Supervision: Principles of Professional Management Chapter 9<br><br>Supervision: Concepts and Practices of Management Chapter 5<br><br>What Every Supervisor Should Know - Chapter 32<br><br>Programmed Learning Aid for Supervision - Chapter 4 |
| OTHER CLUSTER COMPETENCIES:<br><br>1268<br>1269<br>1270<br>1272<br>1273 | Provide case problems typical to industrial marketing operations for students to read and discuss in which problems and solutions to those problems must be identified. Students should follow the steps in the problem-solving process for each situation.<br><br>Assign each student a specific problem situation common to industrial marketing operations. S/he should prepare a solution for the problem, following each step in the problem-solving process. Students should present their problems and solutions to the class, asking for comments and/or suggestions for improvement. | |

# Management

## Cluster Instructional Objective: APPLY APPROPRIATE DECISION-MAKING MODELS IN SOLVING MANAGEMENT PROBLEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1272<br>Understand the decision-making process.<br><br>1273<br>Realize that common sense and good judgement are vital in decision making.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1268<br>1269<br>1270<br>1271 | Explain to students that decision making is the process by which we evaluate alternatives and make a choice among them, or steps 7 and 8 of the problem solving process learned in Management competency #1271. Discuss the methods available in making the decision: experience, hunch and intuition, advice from others, experimentation, research and the scientific methods; and the two primary factors that impact on the decision-making process: risk and time.<br><br>Have students identify points to consider when making decisions and discuss the importance of common sense and good judgment in the decision-making process. These basic rules should be suggested:<br>1) Collect the facts.<br>2) Consult your feelings, your knowledge, and past experience.<br>3) Time your decisions wisely.<br>4) Don't assume too much.<br>5) Communicate your plan to those involved.<br>6) Make a flexible decision.<br>7) Follow through with the decision.<br>8) Make decisions with courage.<br><br>Provide a series of industrial marketing problem situations and a list of alternatives for each. Students should determine the best alternative for each situation and be prepared to defend their decision in a class discussion. | Management: Concepts and Practices - Chapter 4<br><br>Supervision: Principles of Professional Management Chapter 9<br><br>Management Minded Supervision Chapter 14<br><br>The New Management - Chapter 4<br><br>What Every Supervisor Should Know - Chapter 32<br><br>Programmed Learning Aid for Supervision - Chapter 4<br><br>Introduction to Management Chapter 7 |

# Management



## Cluster Instructional Objective: DETERMINE AND MEET PERSONNEL NEEDS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1274<br>Identify personnel needs. | Explain to students that there are three steps involved in determining personnel needs -- manpower planning, establishing qualitative and quantitative job requirements, and developing sources for obtaining needed personnel. Discuss each step and what is involved in accomplishing each step:<br>1) Manpower planning<br>a) Relate personnel needs to the overall activity of the firm<br>b) Make long-range estimations of the firm's specific and general manpower needs<br>c) Determine ways of satisfying manpower needs<br>2) Establish qualitative and quantitative job requirements<br>a) Qualitative job aspects -- use job analysis to determine job descriptions and job specifications<br>b) Estimate quantitative requirements -- determine the number to be hired in each category<br>3) Develop manpower supply sources<br>a) Internal sources (upgrading, promoting, transferring)<br>b) External sources (former employees, friends and relatives of employees, competing firms, labor organizations, public and private employment services, educational institutions, unsolicited personal applications).<br><br>(Continued on next page.) | Supervision: Principles of Professional Management<br>Chapter 11<br><br>Management: Concepts and Practices - Chapter 6<br><br>The New Management<br>Chapter 8<br><br>Supervision: Concepts and Practices of Management<br>Part 5<br><br>Sales Management<br>Chapter 10<br><br>Sales Force Management<br>Part 2<br><br>Management of the Sales Force<br>Chapter 4<br><br>Purchasing Management<br>Chapter 18 |

OTHER CLUSTER COMPETENCIES:

1275
1276

# Management

## Cluster Instructional Objective: DETERMINE AND MEET PERSONNEL NEEDS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1274 (Cont.) | Provide students with a sample organizational chart in which functions and jobs are shown in their proper relations. Point out that in any organization certain jobs must be filled. However, some jobs serve no real purpose, but are grounded in tradition or were created to retain employees laid off in other areas. Whenever a job vacancy occurs, the manager should not just automatically fill the position but ask her/himself these questions:<br>1) Is this function necessary to the department and/or company?<br>2) What happens if the position is not filled?<br>3) Could the tasks of this position be divided among other workers without negative effects?<br>Provide hypothetical situations for students to discuss in which they must determine personnel needs. | |

# Management



## Cluster Instructional Objective: DETERMINE AND MEET PERSONNEL NEEDS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1275<br>Know the techniques used in recruiting, training, and directing the needed personnel in the industrial marketing organization. | Discuss with students these personnel functions:<br>1) methods of recruitment<br>2) steps in the selection process<br>3) orientation and training<br>4) appraisal, promotion, and compensation<br>5) directing and motivating<br>6) disclipline. | Supervision: Principles of Professional Management<br>Chapter 11<br><br>Management: Concepts and Practices - Chapter 6<br><br>The New Management<br>Chapter 8 |
| | Divide students into small groups and have each group research an area of personnel management. Groups should prepare a written report and present an oral summary to the class. | Supervision: Concepts and Practices of Management<br>Part 4 |
| OTHER CLUSTER COMPETENCIES:<br><br>1274<br>1276 | Invite the personnel manager of a large industrial marketing firm to speak to the class on the personnel functions s/he performs -- noting special techniques used, proper communication procedures, ethical considerations, and general principles and practices that should be followed. | Sales Management<br>Part 3<br><br>Sales Force Management<br>Part 2<br><br>Management of the Sales Force<br>Part 2<br><br>Purchasing Management<br>Chapter 18 |

# Management

## Cluster Instructional Objective: DETERMINE AND MEET PERSONNEL NEEDS.

### Competency

1276
Formulate performance objectives for employees, and execute periodic reviews of achievements.

OTHER CLUSTER COMPETENCIES:

1274
1275



### Suggested Learning Activities

Point out to students that although appraisal of employee performance is basically a day-to-day aspect of a manager's job, most organizations require that managers formally appraise and rate employees on a periodic basis. This evaluation serves as a guide for further employee development, and as a basis for promotion or salary increase. Performance evaluation usually has four stages -- a written evaluation of the employee's performance, an interview between manager and employee, feedback from the employee on his/her evaluation, and the effect of the evaluation on the employee's subsequent performance. Three essential steps in the appraisal process are:

1) Set realistic goals and objectives.
2) Measure performance or progress against objectives.
3) Take corrective action or make adjustments.

Discuss principles and procedures that a manager should follow when setting performance objectives for employees and conducting appraisals of employee performance.

Explain to students that in order to facilitate and simplify the appraisal process, most organizations use performance appraisal forms which stipulate factors for appraisal in objective terms. Have students identify a list of factors they think should be included. Then, show examples of actual appraisal forms used by local firms.

### References

Supervision: Concepts and Practices of Management
Chapter 14

What Every Supervisor Should Know - Chapter 15

Management-Minded Supervision
Chapter 13

Sales Management
Chapter 17

Management of the Sales Force
Chapter 22

Sales Force Management
Chapter 19

Purchasing Management
Chapter 21

# Management



## Cluster Instructional Objective: PERFORM MANAGERIAL ACCOUNTING FUNCTIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1277<br>Prepare, maintain, and control budgets. | Explain to students that a budget is a formal statement of financial resources--planned expenditures for personnel, time, space, or equipment. Budgets are the primary document used by managers in planning and controlling operations at every level of an organization. The goal of the budgeting process is to match the total monetary value of available resources against the detailed sequences of activity and separate steps which make up a marketing program. Five of the most commonly used budgets are: revenue and expense budgets; time, space, material and product budgets; capital expenditure budgets; cash budgets; and balance-sheet budgets. The master budget combines all other budgets for the involved departments. Discuss the procedures involved in preparing budgets, and the reporting system needed to control budgets. | Marketing Management<br>Chapter 8<br><br>Industrial Marketing<br>Chapter 24<br><br>Sales Management<br>Chapter 18<br><br>Management of the Sales Force<br>Chapter 17<br><br>Management: Concepts and Practices - Chapter 12<br><br>The New Management<br>Chapter 7 |
| OTHER CLUSTER COMPETENCIES:<br><br>1278 | Obtain actual budgets used by industrial marketing firms for students to examine and discuss. Have students prepare sample budgets from hypothetical data which you provide. Students should also outline procedures for maintaining and controlling the budget--what forms to be used, when to submit, etc. | Supervision: Concepts and Practices in Management<br>Chapter 18<br><br>Modern Business<br>Chapter 15<br><br>Introduction to Management<br>Chapter 20 |

# Management

## Cluster Instructional Objective: PERFORM MANAGERIAL ACCOUNTING FUNCTIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1278<br>Prepare pro forma financial statements.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1277 | Explain to students that an important tool for use in planning is the pro forma operating statement, which provides a breakdown of income and expenses for some future year. In some actual planning assignments, pro forma statements have been prepared for a series of three to five years in the future. Several of the items in the statement might be forecast separately or all might be related to a basic sales forecast.<br>EXAMPLE:<br>Given a sales forecast, the planner allows for a minimum profit requirement in order to determine what is left for production and marketing costs. A more detailed breakdown of both types of costs is then made. If Marketing is considered more important, it is up to the production department to get costs down in order to provide the necessary marketing margin. If production costs are viewed as fixed, then there would be heavy pressure on the marketing department for innovations in marketing.<br><br>If possible, obtain actual samples of pro forma financial statements prepared by local firms for students to review and discuss. Have students prepare pro forma statements from hypothetical data which you provide. | Marketing Management: A Planning Approach - Page 154<br><br>Modern Marketing<br>Pages 152-3 |

# Management



## Cluster Instructional Objective: APPRECIATE THE BENEFITS OF PROFESSIONAL MEETINGS TO BUSINESS SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1279<br>Realize the importance of attending and participating in professional meetings and conferences within the firm's respective industry. | Discuss with students why participation in professional meetings and conferences is important to business success. Have students identify the benefits provided by professional organizations and business meetings to industrial firms, as well as to individuals within the firm.<br><br>Have each student identify a list of professional organizations relevant to the industry s/he is interested in. Students should write each organization and obtain a statement of goals, list of education and/or training materials available through the organization, dates of upcoming professional meetings and/or conferences, and other pertinent information. | |

# Marketing/Economics

## Cluster Instructional Objective: UNDERSTAND THE FACTORS WHICH MAY INFLUENCE THE MARKETING OF INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1035<br>Understand the workings of a market economy.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1036<br>1037<br>1038<br>1039 | Discuss with students the different types of market structures of industry:<br><br>1) Pure or perfect competition - a great many sellers selling an identical or undifferentiated product; because of the large number of competing sellers, no one firm is able to control the price of the product. (Examples: wheat farmers, dairy farmers, orange growers)<br><br>2) Monopolistic competition - requires many sellers and easy entrance to and exit from the market; the product of each seller is slightly different from competing products, but not so different that it may not be substituted for by a competing product. (Example: cars will run on either Texaco, Shell, or Amoco gasoline)<br><br>3) Oligopoly - the market has so few sellers that the actions of any one seller will affect all other competitors; there is little price competition and entry to the industry is very difficult because of the great investment required. (Example: the auto industry [Ford/GM/Chrysler])<br><br>4) Monopoly - the market has only one seller of a particular product; the product is unique--there are no close substitutes for it and there is little<br><br>(Continued on next page.) | The New Marketing<br>Chapter 3<br><br>Modern Business<br>Chapter 1<br><br>Contemporary Marketing<br>Chapter 1<br><br>Marketing: An Environmental Perspective - Chapter 1<br><br>Marketing: An Integrated Approach - Chapter 2<br><br>Modern Marketing<br>Chapter 2<br><br>Programmed Learning Aid for Principles of Marketing<br>Chapter 1 |

# Marketing/Economics



Cluster Instructional Objective: UNDERSTAND THE FACTORS WHICH MAY INFLUENCE THE MARKETING OF INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1035 (Cont.) | need to advertise it. (Example: Instances of true monopoly in the U.S. are rare, but natural monopolies exist such as public utilities--electric, natural gas, and telephone companies.)<br><br>Students should understand supply and demand relationships and price relationships relevant to these four types of market structures.<br><br>Give students case problems to read and discuss which focus on the extent to which the competitive environment at the industrial level would vary among the four different structures. | |

# Marketing/Economics

## Cluster Instructional Objective: UNDERSTAND THE FACTORS WHICH MAY INFLUENCE THE MARKETING OF INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1036<br>Know the basic economic variables affecting price. | Discuss with students those economic factors that interact to establish the general price level, such as:<br>1) customer demand<br>2) competition<br>3) business efficiency or productivity<br>4) pressure for high wages<br>5) buyer resistance<br>6) seller resistance<br>7) speculation - including futures market<br>8) government actions.<br><br>Give students case problems involving factors that affect price. Students should identify the factor involved and explain its impact on the price.<br>Examples:<br>-when a raw material becomes unavailable as the result of war<br>-lack of efficiency in the use of land, labor, and capital by business<br>-widespread speculation based on the belief that prices will rise<br>-deficit spending by government, especially during periods of inflation<br>-a large supply relative to demand<br>-an increase in wages not matched by an increase in productivity | Industrial Marketing Management<br>Chapter 11<br><br>Industrial Marketing<br>Chapter 17<br><br>Industrial Marketing for Results<br>Chapter 13<br><br>Marketing Today - Chapter 11<br><br>Foundations of Marketing<br>Chapter 16<br><br>The New Marketing<br>Chapter 20<br><br>Marketing: An Integrated Approach - Chapter 16<br><br>Programmed Learning Aid for Principles of Marketing<br>Chapter 13 |
| OTHER CLUSTER COMPETENCIES:<br><br>1035<br>1037<br>1038<br>1039 | | |

# Marketing/Economics



## Cluster Instructional Objective: UNDERSTAND THE FACTORS WHICH MAY INFLUENCE THE MARKETING OF INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1037<br>Know and understand elasticity of demand and derived demand.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1035<br>1036<br>1038<br>1039 | Discuss with students the concept of elasticity of demand:<br>elastic - demand for a product is said to be elastic if it will stretch enough to allow the seller's total revenue to increase as the price goes down<br>inelastic - demand for a product is inelastic when it is comparatively insensitive to changes in price<br>Point out that most industrial products have an inelastic demand because of the derived demand concept:<br>The demand for industrial goods is derived from the demand for consumer goods, products needed by government agencies, and goods used by non-business, non-governmental organizations. The demand for the products of one industry is continually being affected by other industries' needs.<br>Example:<br>The demand for coal is derived from the demand for steel, which in turn is derived from the demand for cars and new buildings.<br><br>Assign each student an industrial product for which s/he must develop a marketing plan and determine if the derived demand would have an impact on the development of that marketing plan.<br>Example:<br>The student would be asked to develop a marketing plan for the engine that goes in a bulldozer. Would the derived demand for the bulldozer have any impact on the development of the marketing plan for the engine? If so, how? | Industrial Marketing Management<br>Chapter 2<br><br>Industrial Marketing<br>Chapter 3<br><br>Marketing Today<br>Chapters 7, 11<br><br>The New Marketing<br>Chapter 20<br><br>Fundamentals of Marketing<br>Chapter 7<br><br>Marketing: An Integrated Approach<br>Chapter 15 |

# Marketing/Economics

## Cluster Instructional Objective: UNDERSTAND THE FACTORS WHICH MAY INFLUENCE THE MARKETING OF INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1038<br>Know the factors influencing market dynamics. | Discuss with students those factors which influence market dynamics:<br>1) competition<br>2) governmental legislation and regulation<br>3) buyer behavior<br>4) technological advances<br>5) social change<br>6) economic conditions<br>7) demographic factors<br>8) political forces<br>9) foreign relations.<br><br>Assign each student a different factor influencing marketing dynamics listed in the activity above. S/he should research the topic and prepare a report to present to the class.<br><br>Have each student select an industry and particular product category, identify the competition, and estimate the market share enjoyed by each competitor. S/he should develop an example of a change in each factor and determine how these changes might impact on future market shares. Students should then share their ideas in a class discussion. | Marketing: An Environmental Perspective - Part 3<br><br>Marketing Today<br>Chapter 1<br><br>Marketing: An Integrated Approach - Chapter 2<br><br>Fundamentals of Marketing<br>Chapter 2<br><br>Contemporary Marketing<br>Chapter 2<br><br>Modern Marketing<br>Chapter 2<br><br>Marketing: Basic Concepts and Decisions - Chapter 1<br><br>Foundations of Marketing<br>Chapter 2 |

OTHER CLUSTER COMPETENCIES:

1035
1036
1037
1039

# Marketing/Economics



## Cluster Instructional Objective: UNDERSTAND THE FACTORS WHICH MAY INFLUENCE THE MARKETING OF INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1039<br>Know the laws affecting industrial marketing activity. | Discuss with students pertinent legislation affecting industrial marketing activity, including:<br>1) Sherman Antitrust Act<br>2) Clayton Act<br>3) Robinson-Patman Act<br>4) Federal Trade Commission Act<br>5) Celler-Kefauver Antimerger Act<br>6) Miller-Tydings Act<br>7) Interstate Commerce Regulations.<br><br>Provide case studies for students to read and discuss involving actual cases in which industrial firms violated legislation concerning marketing activity.<br><br>Have students research current business periodicals to find three companies that have been charged with marketing legislation violations. Students should share their findings.<br><br>Have students prepare a paper in which they describe several specific ways that legal and regulatory forces affect each decision variable in the marketing mix. | Marketing: An Environmental Perspective - Chapter 13<br><br>Marketing Today<br>Chapter 20<br><br>Marketing: Basic Concepts and Decisions - Chapter 15<br><br>Fundamentals of Marketing<br>Chapter 2<br><br>Foundations of Marketing<br>Chapter 2<br><br>Contemporary Marketing<br>Chapter 2 |
| OTHER CLUSTER COMPETENCIES:<br><br>1035<br>1036<br>1037<br>1038 | | |

# Marketing/Economics

## Cluster Instructional Objective: IDENTIFY AND USE SOURCES OF MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1040<br>Identify, read, and understand relevant economic and financial resources.<br><br>1041<br>Identify and react to business trends.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1042 | Discuss with students the importance of using relevant economic and financial resources to keep up-to-date with business developments and marketing trends. Have students examine copies of these resources and discuss how to use them.<br>Examples:<br>Federal Reserve Bulletin<br>Wall Street Journal<br>Forbes<br>Fortune<br>Moody's Investment Service<br>Standard and Poor's Industrial Survey<br><br>Have students read and summarize three articles from different economic and/or financial resources. Students may present an oral summary of their articles to the class for discussion purposes.<br><br>Assign each student a different industrial marketing-related topic. Students should research the topic through various economic and/or financial resources and prepare a brief report to share with the class. | Industrial Marketing for Results - Chapter 6<br><br>Modern Business<br>Pages 194-5<br><br>Industrial Marketing Management<br>Chapter 12<br><br>Foundations of Marketing<br>Chapter 20<br><br>Fundamentals of Marketing<br>Chapter 25 |

# Marketing/Economics



## Cluster Instructional Objective: IDENTIFY AND USE SOURCES OF MARKETING INFORMATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1042<br>Evaluate, select, and apply the most appropriate economic indices to marketing planning.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1040<br>1041 | Discuss with students various economic indices which are used to aid in marketing planning, such as:<br>1) GNP, NI, DPI<br>2) Production Index<br>3) Housing Starts<br>4) Rate of Inflation.<br>Point out to students that these economic indices are only one dimension in the planning process for industrial marketing managers.<br><br>Provide students with a set of historical data (say, over past ten years) regarding GNP, etc. Using this data, students should arrive at some estimate of future trends regarding the money consumers will have to spend and the impact that will have on the target market for various industrial products being marketed by the firm.<br><br>Invite an appropriate business representative to speak to the class about economic indices and how they are used in marketing planning. The speaker should cite specific examples, if possible. | Marketing: An Environmental Perspective - Chapter 12<br><br>Marketing: Basic Concepts and Decisions - Chapter 17<br><br>Modern Marketing<br>Chapter 2<br><br>The New Marketing<br>Chapter 3<br><br>Marketing Today<br>Chapter 6 |

# Mathematics

## Cluster Instructional Objective: PERFORM MATHEMATIC COMPUTATIONS WITH PRECISION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1712<br>Know and apply the basic principles of math to industrial marketing problems.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1713<br>1714 | Point out to students the need for specific mathematical skills in industrial marketing, which include: addition, subtraction, multiplication, and division used to write orders, take inventory, and complete reports; determining discounts and sales tax; making market comparisons; calculating commissions; and making computations about market forecasts. Have students complete several problems such as those mentioned above to determine weak areas.<br><br>Continue with problem practice as necessary. | Fundamentals of Marketing Appendix<br><br>Professional Selling: Inside and Out - Chapter 6<br><br>The Standard Manual for Salesmen - Section 5 |

# Mathematics



## Cluster Instructional Objective: PERFORM MATHEMATIC COMPUTATIONS WITH PRECISION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1713<br>Compute commissions and discounts for different channel members. | Discuss with students the types of discounts which are common to industrial marketing: trade discounts, cash discounts, rebates, quantity discounts, geographic price differentials, and F.O.B. considerations. Work through specific problems of each type to facilitate student understanding. Then give students several discount problems to complete on their own. Evaluate the students' computations and assign additional problems as necessary.<br><br>Discuss the methods of computing commission for manufacturer's representatives (straight-basis and quota-bonus), and demonstrate the process to determine each. Provide students with sample commission problems and have each student compute the commission. Check students' work and assign additional problems as needed. | Industrial Marketing<br>Chapter 19<br><br>Industrial Marketing Management<br>Chapter 11<br><br>Foundations of Marketing<br>Chapter 17<br><br>Marketing: An Integrated Approach - Pages 324-5<br><br>Modern Marketing: Principles and Practice - Pages 324-8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1712<br>1714 | | |



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# Mathematics

## Cluster Instructional Objective: PERFORM MATHEMATIC COMPUTATIONS WITH PRECISION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1714<br>Know and understand the computations of basic ratios needed in comparing performance achievements. | Point out to students that ratios can be developed by management which are useful tools in evaluating the results of the marketing program. Discuss the various ratios which may be utilized, demonstrating each by working sample problems. Ratios that should be mentioned are:<br>1) liquidity ratios (measures the ability of the firm to meet its maturing obligations)<br>2) activity ratios (measures the effectiveness of the employment of resources)<br>3) leverage ratios (measures the contributions of the financing by owners compared with financing provided by creditors<br>4) profitability ratios (indicates degree of success in achieving desired profit levels).<br><br>Have students complete sample problems that include the computation of basic ratios commonly used in industrial marketing operations. Check students' work, assigning additional problems as needed. | Fundamentals of Marketing<br>Appendix<br><br>Industrial Marketing<br>Chapter 24<br><br>Industrial Marketing<br>Chapter 9<br><br>The Standard Manual for Salesmen - Sections 4, 5<br><br>The New Management<br>Chapter 7 |
| OTHER CLUSTER COMPETENCIES:<br><br>1712<br>1713 | | |

# Operations

## Cluster Instructional Objective: IMPLEMENT STRATEGICAL METHODS PREDETERMINED FOR INDUSTRIAL MARKETING OPERATIONS.

### Competency

1822
Know and understand techniques involved in executing marketing plans and programs.

OTHER CLUSTER COMPETENCIES:

1823
1824

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### Suggested Learning Activities

Present to students these techniques involved in the proper implementation of a marketing plan:

1) Coordination of marketing activities
   --Work closely with managers in research and development, production, finance, accounting, and personnel, to help blend marketing activities with other functional activities.
   --Integrate marketing activities with the marketing efforts of external organizations (advertising agencies, middlemen, etc.).
2) Motivation of marketing personnel
   --Learn their needs and use motivation methods based on those needs.
3) Effective communication among marketing personnel
   --Communicate with high-level management to keep marketing activities consistent with overall company goals.
   --Effective communication guides what the marketing unit is to do, and how to integrate its activities with activities of other departments.
   --Communication with other managers is important for coordinating marketing efforts with other departments.

Have students outline procedures they would follow in order to effectively carry out the techniques presented in the preceding activity. Students should then share their ideas in a class discussion.

### References

Foundations of Marketing
Chapter 21

Marketing: An Integrated Approach - Chapter 24

Industrial Marketing Management - Chapter 5

Industrial Marketing for Results - Chapter 16

Marketing Management: A Planning Approach
Chapter 5

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# Operations



## Cluster Instructional Objective: IMPLEMENT STRATEGICAL METHODS PREDETERMINED FOR INDUSTRIAL MARKETING OPERATIONS.

### Competency

1823
Know and apply the procedures needed in preparing and submitting data for use in determining sales forecasts.

OTHER CLUSTER COMPETENCIES:

1822
1824

### Suggested Learning Activities

Explain to students that sales forecasts are essential in carrying out three important management functions--analyzing market opportunities, planning the marketing effort, and controlling marketing performance. There are many different types of sales forecasts. Demand can be measured for different product levels (product item, product class, product line, company sales, industry sales, national sales), space levels (customer, territory, region, U.S., world), and time levels (short-range, medium-range, and long-range). Each type of demand measurement serves a specific purpose, so when one is preparing data for use in forecasting, these steps should be followed:

1) Determine the purpose of the forecast.
2) Divide the company product line into homogeneous groups.
3) Determine the factors affecting sales of each product group and their relative importance.
4) Choose the forecasting method best suited for the job.
5) Gather and analyze all available data.

The other steps needed to complete the sales forecast are:

6) Check and cross-check analysis and deductions.
7) Make assumptions about factors that cannot be measured or forecasted.
8) Convert deductions and assumptions into specific product and territorial forecasts.
9) Review and revise.

(Continued on next page.)

### References

Sales Management
Chapter 3

Sales Force Management
Chapter 6

Management of the Sales Force - Chapter 16

Industrial Marketing
Chapter 23

Industrial Marketing for Results - Chapter 17

Marketing Management
Chapter 6

Programmed Learning Aid for Principles of Marketing
Chapter 3

# Operations

## Cluster Instructional Objective: IMPLEMENT STRATEGICAL METHODS PREDETERMINED FOR INDUSTRIAL MARKETING OPERATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1823 (Cont.) | Explain to students that choosing a forecasting method depends on many factors, such as the availability of historical data, the desired degree of accuracy, the value of the forecast to the firm, the time period to be forecast, and the time available to make the forecast. Discuss the six major methods of forecasting demand, giving examples and explaining the advantages/disadvantages of each:<br>1) surveys of buyer intentions<br>2) sales force composite<br>3) jury of executive opinion<br>4) market-test method<br>5) time-series analysis<br>6) statistical demand analysis.<br><br>Provide case problems in which different industrial marketing situations and company objectives are described. Students should determine which forecasting method would best accomplish the objective(s) in each situation and identify what type(s) of information would be required to conduct the forecast. | |

# Operations

## Cluster Instructional Objective: IMPLEMENT STRATEGICAL METHODS PREDETERMINED FOR INDUSTRIAL MARKETING OPERATIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1824<br>Evaluate competitive marketing, pricing, and sales activities. | Explain to students that a competitive analysis is basically an examination of the strengths and weaknesses of a firm's marketing mix relative to its competition, which becomes the basis for developing marketing strategies. Things to take into consideration are:<br><br>Market Performance - efficiency, profits, innovation, marketing costs, consumer benefits, national economy benefits<br><br>Marketing Activities - advertising programs (what appeals are being applied, media used, etc.), product mix (different sizes, qualities, how packaged, etc.), pricing (inducements provided, discounts, etc.), and sales (strength of sales force in number, quality, and coverage; sales in dollars and market share; etc.). | Marketing Management: A Planning Approach Chapter 9<br><br>Marketing: An Environmental Perspective - Chapter 14 |
| OTHER CLUSTER COMPETENCIES:<br><br>1822<br>1823 | Assign each student a different industrial product. S/he should research two or three firms that market that product and prepare a competitive analysis of the firms' marketing activities. | |

# Operations

## Cluster Instructional Objective: ILLUSTRATE COST-EFFECTIVENESS IN SELECTING INDUSTRIAL DISTRIBUTION CHANNELS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1825<br>Evaluate and select channels of distribution and specific distributors to best achieve predescribed objectives. | Discuss with students the factors affecting choice of distribution channels:<br>1) Market considerations<br>a) number of potential customers<br>b) geographic concentration of the market<br>c) order size<br>2) Product considerations<br>a) unit value<br>b) technical nature of product<br>3) Middlemen considerations<br>a) services provided by middlemen<br>b) availability of desired middlemen<br>c) middlemen's attitude toward manufacturer's policies<br>d) economic cost of benefit<br>4) Company considerations<br>a) size of the firm<br>b) financial resources<br>c) ability of management<br>d) desire for channel control<br>e) services provided by seller<br>(Continued on next page.) | Industrial Marketing<br>Part 5<br>Industrial Marketing Management<br>Chapter 8<br>Marketing Management<br>Chapter 13<br>Marketing Today<br>Chapter 16<br>Fundamentals of Marketing<br>Chapter 16<br>Marketing: An Integrated Approach<br>Chapter 11<br>Foundations of Marketing<br>Chapter 9<br>The New Marketing<br>Chapter 14<br>Programmed Learning Aid for Principles of Marketing<br>Chapters 19, 20 |

# Operations

## Cluster Instructional Objective: ILLUSTRATE COST-EFFECTIVENESS IN SELECTING INDUSTRIAL DISTRIBUTION CHANNELS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1825 (Cont.) | Also discuss factors involved in selecting and working with individual middlemen:<br>1) access to desired market<br>2) location<br>3) product-planning policies<br>4) promotion policies<br>5) services available to customers<br>6) financial ability<br>7) caliber of management.<br><br>Provide a list of fictional channel member descriptions and case problems in which a specific product, target market, and company objectives are described. Students should determine the most effective channel of distribution and specific distributor(s) in each case in order to best achieve company objectives. | 292 |

# Operations

## Cluster Instructional Objective: IDENTIFY THE MOST SUITABLE MEANS OF TRANSPORTING INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1826<br>Interpret, understand, evaluate, and recommend efficient and economical transportation modes and carriers. | Discuss with students the primary methods of transportation:<br>1) parcel post<br>2) parcel delivery service<br>3) bus service<br>4) truck freight<br>5) rail freight<br>6) freight forwarder: air, rail, or motor<br>7) air cargo<br>8) water freight<br>9) piggyback or fishyback<br>10) pipelines<br>and the factors to consider when choosing a particular mode of transportation:<br>1) costs of each mode<br>2) time required to move goods<br>3) type of packaging required for goods<br>4) nature of the goods - weight and density, easily damaged, etc.<br>5) convenience of loading and unloading arrangements<br>6) reliability and safety of each mode<br>7) rates and classifications under which goods can be shipped<br>8) distance to be traveled<br>9) number of times goods must be handled<br>10) etc.<br><br>(Continued on next page.) | Foundations of Marketing<br>Chapter 12<br><br>Marketing Today<br>Chapter 19<br><br>The New Marketing<br>Chapter 15<br><br>Purchasing Agent's Desk Manual<br>Section 7<br><br>Fundamentals of Marketing<br>Chapter 17<br><br>Purchasing Management<br>Chapter 14<br><br>Contemporary Marketing<br>Chapter 11 |

# Operations

## Cluster Instructional Objective: IDENTIFY THE MOST SUITABLE MEANS OF TRANSPORTING INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1826 (Cont.) | Provide case problems in which a specific product, destination, and company objectives are described. Students should determine the best mode of transportation in each case in order to best achieve company objectives. | |

# Operations

## Cluster Instructional Objective: KNOW THE PROCEDURES INVOLVED WHEN LEASING INDUSTRIAL EQUIPMENT.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1827<br>Understand lease agreements. | Explain to students that it may be more economical for companies to lease vehicles or equipment rather than buy them for these reasons:<br>1) temporary needs (specialized maintenance tools and equipment)<br>2) high depreciation rates (cars, trucks)<br>3) technical obsolescence (data processing equipment)<br>4) costs of repair and maintenance (usually provided by lessor).<br>Discuss what items should be included in lease agreements:<br>1) exact costs and method of payments<br>2) time period involved<br>3) repairs, adjustments, and servicing<br>4) option to buy<br>5) cancellation option.<br><br>Provide case problems describing typical industrial marketing situations regarding lease or buy determinations. Students should consider the factors involved in each case, determine whether the equipment should be bought or leased, and be prepared to defend the choice in a class discussion. | Purchasing Agent's Desk Manual<br>Section 7<br><br>Industrial Marketing Management<br>Pages 254-6<br><br>Purchasing Management<br>Pages 504-7<br><br>Fundamentals of Marketing<br>Pages 160-1<br><br>Marketing Today<br>Pages 180-1 |

# Product/Service Technology

## Cluster Instructional Objective: UNDERSTAND HOW INDUSTRIAL PRODUCTS ARE CLASSIFIED.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1361<br>Understand the general classifications of industrial products. | Present to students the basic classifications of industrial products:<br>1) Raw materials<br>2) Fabricating or component parts<br>3) Process materials<br>4) Installations or major equipment<br>5) Minor or accessory equipment<br>6) Maintenance, repair, and operating (MRO) supplies.<br>Discuss the characteristics and marketing considerations for each type of industrial product.<br><br>Give students a list of various industrial product descriptions and have them match each one to its proper classification.<br><br>As an additional activity while visiting an industrial manufacturing plant or a distributor's site for another competency, students should identify at least one product that falls under each basic classification of industrial products. | Industrial Marketing Strategy<br>Chapter 1<br><br>Industrial Marketing Management<br>Chapter 1<br><br>Industrial Marketing<br>Chapter 3<br><br>Foundations of Marketing<br>Chapter 7<br><br>Marketing Today<br>Chapter 7<br><br>Fundamentals of Marketing<br>Chapter 7<br><br>Marketing: Basic Concepts and Decisions - Pages 160-3<br><br>Marketing: An Integrated Approach - Chapter 8<br><br>Contemporary Marketing<br>Pages 192-5 |
| OTHER CLUSTER COMPETENCIES:<br><br>1362 | | |

# Product/Service Technology



## Cluster Instructional Objective: UNDERSTAND HOW INDUSTRIAL PRODUCTS ARE CLASSIFIED.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1362<br>Be able to use the SIC (Standard Industrial Classification System).<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1361 | Explain to students that the Industrial Classification System provides a catalog of all economic activity in the nation classified by product produced, service rendered, or type of operation, as a four-digit SIC number. The general classes are: Agriculture, Mining, Construction, Manufacturing, Transportation, Wholesale Trade, Retail Trade, Finance, Services, Public Administration, and Nonclassifiables.<br>Each of these general classes is divided into major groups, subgroups, and detailed industry categories. It is also possible to supplement the four-digit SIC numbers with five seven-digit SIC numbers provided by the Census of Manufactures. Provide students with sample pages of the SIC manual and explain how to use the system.<br>Point out to students that the SIC is important to the industrial marketer in that it is a practical classification system for industrial customers. If s/he can classify present and potential customers into at least four-digit SIC market segments, then s/he is well able to locate such customers, define their sales volumes, determine market potential, etc.<br><br>Give students a list of industrial products. Using the SIC Manual (and Census of Manufactures, if possible), students should determine the SIC code for each product. Continue practice as necessary. | Industrial Marketing<br>Chapter 8<br><br>Industrial Marketing Management - Chapter 3<br><br>Industrial Marketing for Results - Chapter 7<br><br>The New Marketing<br>Chapter 9 |

# Product/Service Technology

## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1363<br>Know and understand the different approaches to organizing for new product development. | Point out to students that a functioning organizational arrangement designed to stimulate and coordinate new-product development is necessary for efficient product innovations. Discuss the four main types of organization used by firms for handling the development of new products:<br>1) Product-planning Committee<br>2) New-product Department<br>3) Product Manager<br>4) Venture Teams.<br><br>Divide students into four groups and assign each group one of the new-product planning and development organizational arrangements discussed above. Students in each group should research the topic and prepare a report to present to the class which describes how new-product planning is carried out utilizing that approach.<br><br>Ask an appropriate business representative to speak to the class on the different approaches to organizing for new-product development, and what factors are considered when determining the best approach for a particular business or product. | Industrial Marketing Strategy<br>Chapter 5<br><br>Industrial Marketing Management<br>Chapter 7<br><br>Foundations of Marketing<br>Chapter 8<br><br>Modern Marketing<br>Chapter 6<br><br>Marketing: Basic Concepts and Decisions - Chapter 7<br><br>Marketing Management<br>Pages 199-201<br><br>Contemporary Marketing<br>Chapter 7 |
| OTHER CLUSTER COMPETENCIES:<br><br>1364<br>1365<br>1366<br>1367<br>1368<br>1369<br>1370 | | |

# Product/Service Technology



## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1364<br>Know and understand the product development process. | Point out to students that a number of factors must be considered when a manufacturer is trying to decide whether to add a proposed new product to the firm's existing product line. Discuss these guidelines for new products:<br>1) There should be an adequate market demand.<br>2) The product must be compatible with current environmental and social standards.<br>3) The product should fit into the firm's present marketing structure.<br>4) The product should fit in with existing production facilities, manpower, and management.<br>5) The product should fit from a financial standpoint.<br>6) There must be no legal objections to the product.<br>7) The firm's management must have the time and ability to deal with the new product.<br>8) The new product should be in keeping with the firm's image, self-concept, and overall objectives.<br><br>Explain to students that as a new product is developed, it progresses from the idea stage to the production and marketing stages. In each stage, management must decide whether to move on to the next stage, abandon the product, or seek additional information. Discuss the six basic<br><br>(Continued on next page.) | Industrial Marketing Strategy<br>Chapter 5<br><br>Industrial Marketing<br>Chapter 11<br><br>Industrial Marketing Management<br>Chapter 7<br><br>Foundations of Marketing<br>Chapter 8<br><br>Fundamentals of Marketing<br>Chapter 8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1363<br>1365<br>1366<br>1367<br>1368<br>1369<br>1370 | | |

# Product/Service Technology

## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1364 (Cont.) | steps in the new-product development process:<br>1) Generate new-product ideas<br>2) Screen ideas to determine which ones warrant further study<br>3) Business analysis<br>4) Product development<br>5) Test Marketing<br>6) Commercialization.<br><br>Invite the product manager of an industrial firm to speak to the class on the product development process. The speaker should explain how each step is carried out, using a recently marketed product, if possible. | |

# Product/Service Technology



## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1365<br>Understand the need for sound product policies. | Explain to students that the process of considering new-product ideas can be orderly or chaotic --what makes the difference is the use of product policies. Detailed product policies covering such points as compatability, market potential, and financial objectives can be put into checklist form for screening purposes. Product development workers can then consistently score each new proposal as well as provide a written record for review and analysis. | Modern Marketing<br>Pages 150-1 |
| | Have students brainstorm a list of basic product policies related to the six steps of the product development process (#1364). Obtain policy manuals or sample policy statements from the production departments of several local industrial firms for students to examine and discuss. Students should compare their policies with those in actual use by those firms. | |
| OTHER CLUSTER COMPETENCIES:<br><br>1363<br>1364<br>1366<br>1367<br>1368<br>1369<br>1370 | Arrange for selected students to interview the product managers of several industrial firms in order to identify common product policies used by those firms and determine their importance to the product-development process. If personal visits are not feasible, have students phone or write for the information. | |

# Product/Service Technology

## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1366<br>Prepare and administer product budgets. | Discuss with students the role of budgeting in product planning. Explain that after top management sets the annual sales and profit goals for the firm, they are communicated to product managers, who then develop product goals, plans, and budgets. Discuss the information necessary to put together a product budget:<br>1) Historical product data<br>2) Sales and profit projections<br>3) Estimates of fixed manufacturing costs<br>4) Planned level of total marketing expenditures.<br><br>Obtain sample product budgets from several industrial firms for students to examine and discuss. Analyze each sample budget, determine the importance of each item, and identify the information necessary to arrive at each figure in the budget.<br><br>Have students prepare simple product budgets from hypothetical data which you provide. | Marketing Management<br>Chapter 8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1363<br>1364<br>1365<br>1367<br>1368<br>1369<br>1370 | | |

# Product/Service Technology



## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1367<br>Know the basic idea-generating techniques.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1363<br>1364<br>1365<br>1366<br>1368<br>1369<br>1370 | Explain to students that developing and marketing new industrial products is a vital task, and is necessary to sustain the profitable growth of the firm. New product ideas are everywhere. The objective in idea generation is to gather ideas from any and all possible sources. No source is ignored or idea rejected before it is carefully considered. Have students identify possible sources of product ideas. Their lists should include:<br>Internal - new product department, committee or task force; top executives; sales representatives; production staff; secretaries, other company employees<br>External - customers, dealers, competition, scientists, freelance, inventors, consultants, distributors, trade literature, etc.<br><br>Discuss with students several techniques that have developed over the years to help individuals and groups generate better ideas:<br>1) Attribute listing<br>2) Forced relationships<br>3) Morphological analysis<br>4) Brainstorming<br>5) Operational creativity.<br><br>Divide students into groups and assign each group a basic product need or area. Have groups generate ideas for the product, utilizing the various methods discussed above. | Industrial Marketing<br>Chapter 12<br><br>Industrial Marketing Strategy<br>Pages 96-9<br><br>Marketing Management<br>Chapter 10<br><br>Marketing Management:<br>A Planning Approach<br>Chapter 12<br><br>Modern Marketing<br>Pages 149-50 |

# Product/Service Technology

## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1368<br>Know the basic steps involved in screening new-product ideas. | Discuss the purposes of screening new product ideas -- to eliminate ideas that are clearly unworthy of further consideration, and to identify those with enough promise to warrant exploratory work by technical research. Because of the multiplicity of issues that affect the desirability of specific new-product ideas, a checklist of questions to be answered regarding each idea is useful. A checklist helps prevent the omission of vital questions in the heat of pursuing what initially appears to be an exciting idea. Management may allocate weights to checklist factors according to their importance.<br>Items which may be on checklists include:<br>Research and Development - extent of research know-how, patent status, manpower availability, extent of technical service required, chance of technical solution<br>Market Research - estimated market size, market trends, price and demand stability, product competition<br>Sales - effect on present products, requirement for technical service, type and quality of new customers, suitability of present sales force, sales costs, estimated sales<br>Manufacturing - required corporate size, process familiarity, facilities available, availability of materials<br><br>(Continued on next page.) | Industrial Marketing<br>Pages 202-5<br><br>Industrial Marketing Strategy<br>Pages 99-101<br><br>Marketing Management<br>Pages 205-6<br><br>Marketing Management:<br>A Planning Approach<br>Pages 286-8<br><br>Modern Marketing<br>Pages 150-2 |

OTHER CLUSTER COMPETENCIES:

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# Product/Service Technology

## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1368 (Cont.) | Market Development - chance of commercial success, market development requirements, time required to commercialize, similarity to present products, value added to customers' products<br>Finance and Control - anticipated return on investment, ratio of product cost to selling price, research and development costs, ratio of research cost to market potential<br>Corporate - contribution to company goals and corporate image, possible legal problems, possible government reaction<br>Stress the importance of the screening process (since ideas that go beyond this stage take up considerable investment of time and company resources).<br><br>Have students interview product managers to determine how they screen new-product ideas. Students should obtain copies of checklists or other forms used by the firms in the screening process. Then, have students perform the screening function for hypothetical product descriptions which you provide.<br><br>Divide students into small groups and have each group develop a procedure for routinely obtaining feedback from customers to evaluate new-product ideas. | |

# Product/Service Technology

## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1369<br>Understand the reasons for test marketing new products. | Explain to students that extensive test marketing is more frequently used by consumer companies than industrial firms. When an industrial firm develops a new product, sales representatives take the product to a sample of prospective buyers for feedback. Ideas and suggestions may be given that lead to reworking the product. When the firm is satisfied that enough prospective customers like the product, it is added to the firm's catalog and sold nationally.<br>In some cases, however, large field tests are undertaken that more nearly approximate conditions of actual marketing. The sales force begins familiarizing itself with the product, promotional strategy is worked out along with decisions concerning selling methods, a brand name is chosen, and package design is determined.<br>Information provided by prototype testing includes: firm estimates of full-scale production costs, probable product uses, buyer reaction to prices, market potential, prediction of time required to recover developmental costs, and estimates of return on investment.<br><br>Invite the product manager of an industrial firm to speak to the class on the test marketing of new products. S/he should outline procedures followed and information gained, and provide a comparison between a successful test and unsuccessful test.<br><br>Provide case stories for students to read and discuss regarding the test marketing process for new industrial products. | Industrial Marketing<br>Pages 206-9<br><br>Industrial Marketing Strategy<br>Pages 104-6<br><br>Marketing Management<br>Pages 218-22<br><br>Marketing: Basic Concepts and Decisions - Pages 194-5<br><br>Foundations of Marketing<br>Pages 200-2 |

OTHER CLUSTER COMPETENCIES:

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# Product/Service Technology



## Cluster Instructional Objective: EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1370<br>Formulate effective marketing strategies for new products. | Discuss with students how to plan an effective marketing strategy for a new product. Point out that marketing management can set a high or low level for each marketing variable, the main concerns being price and promotion.<br>Discuss the four basic strategies used to launch a new product:<br><br>1) A HIGH-PROFILE STRATEGY (high price and high promotion level) - effective when:<br>a) a large part of the potential market is not aware of the product<br>b) those who become aware of the product are eager to have it and pay the asking price<br>c) the firm faces potential competition and wants to build up brand preference<br><br>2) A SELECTIVE PENETRATION STRATEGY (high price and low promotion) - effective when:<br>a) the market is relatively limited in size<br>b) most of the market is aware of the product<br>c) those who want the product are prepared to pay a high price<br>d) there is little threat of potential competition<br><br>3) A PRE-EMPTIVE PENETRATION STRATEGY (low price and heavy promotion) - effective when:<br><br>(Continued on next page.) | Industrial Marketing Strategy<br>Chapters 6, 8<br><br>Marketing Management<br>Pages 234-5 |

OTHER CLUSTER COMPETENCIES:

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# Product/Service Technology

**Cluster Instructional Objective:** EFFECTIVELY PERFORM THE PRODUCT-PLANNING FUNCTION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1370 (Cont.) | a) the market is large in size<br>b) the market is relatively unaware of the product<br>c) most buyers are price-sensitive<br>d) there is strong potential competition<br>e) the firm's unit manufacturing costs fall with the scale of production and accumulated manufacturing experience<br><br>4) A LOW-PROFILE STRATEGY (low price and low level of promotion) - effective when:<br>a) the market is large<br>b) the market is highly aware of the product<br>c) the market is price-sensitive<br>d) there is some potential competition.<br><br>Provide case studies in which new product developments and market situations are described. Students should analyze each situation to determine the best marketing strategy to launch that new product, and defend their choices.<br><br>Have each student read an article from an industrial magazine or trade journal which describes the marketing strategy used to launch a new product for a particular firm. | 324 |

# Product/Service Technology

**Cluster Instructional Objective:** IDENTIFY AND EVALUATE THE CONTRIBUTIONS MADE BY THE FIRM'S PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1371<br>Know why new products fail. | Discuss with students the importance of analyzing reasons for product failures in the industrial market. There are eight basic reasons why new products in general fail: inadequate market analysis, higher costs than anticipated, poor timing, product defects, lack of effective marketing effort, inadequate sales effort, competitive strength or reaction, and weakness in distribution.<br>Additionally, industrial products appear to fail because of:<br>1) Failure to define specific market segment(s)<br>2) Inadequate understanding of the buying process in prospective customer firms<br>3) Lack of knowledge of buying influences in prospective customer firms<br>4) Lack of knowledge of required marketing effort<br>5) Lack of awareness of existing customer-supplier relationships<br>6) Underestimation of new investment requirements in customer firms<br>7) Failure to understand the new product's technical requirements in customer firms<br>8) Overemphasis on technical and production requirements<br>9) Time lag between research and production.<br><br>Provide students with case stories regarding new product failures. Students should analyze each situation to identify the reason(s) for the failure, determine if the failure could have been prevented and how, and determine what preventative measures could be taken to guard against similar failures for future products. | Industrial Marketing Management<br>Chapter 7<br><br>Industrial Marketing Strategy<br>Pages 108-9<br><br>Fundamentals of Marketing<br>Chapter 8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1372 | | |

# Product/Service Technology

**Cluster Instructional Objective:** IDENTIFY AND EVALUATE THE CONTRIBUTIONS MADE BY THE FIRM'S PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1372<br>Understand the need for replacing unprofitable products. | Explain to students that a product can be maintained so long as it contributes to profits or as long as it enhances a product line or the product mix. Products become undesirable when they:<br>1) become unprofitable<br>2) become a drain on management<br>3) cause customers to doubt the firm's other products.<br>Point out that product line review and critique is vital in the product management process, and should be a structured, regularly occurring activity. | Marketing Management<br>Pages 241-4<br><br>Modern Marketing<br>Pages 157-9<br><br>Marketing: Basic Concepts and Decisions<br>Pages 201-2 |
| | Have students identify harmful effects of maintaining unprofitable or weak products.<br>Examples:<br>--creates short, inefficient product lines<br>--consumes too much of management's time<br>--requires advertising and sales force attention that would be better directed at more profitable products<br>--requires frequent price and inventory adjustments<br>--harms company image | |
| OTHER CLUSTER COMPETENCIES:<br><br>1371 | | |
| 327 | Provide students with actual case studies explaining why a particular product or product line became unprofitable for a firm and describing the decision-making process involved with discontinuing or replacing the product. | 328 |

# Product/Service Technology



**Cluster Instructional Objective:** UNDERSTAND THE LEGAL ASPECTS OF INTRODUCING NEW PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1373<br>Know how to protect new product innovations.<br><br>1374<br>Understand the need for close coordination with legal counsel in the development of new products. | Discuss with students the legal aspects regarding new products, including:<br>1) brands, trademarks, and patents<br>2) warranties<br>3) government clearance<br>4) product liability and recall<br>5) labeling and packaging.<br><br>Invite the corporate lawyer of a large industrial firm to speak to the class on the legal aspects of introducing new products, and the importance of the production department and legal counsel working closely together throughout the product development process.<br><br>Provide actual case studies for students to read and discuss in which new products were "stolen," and other problems (associated when new products or innovations were not properly protected) occurred. | Industrial Marketing<br>Pages 207-9<br><br>Marketing: Basic Concepts and Decisions<br>Pages 165-7<br><br>Marketing: An Integrated Approach - Chapter 10<br><br>Foundations of Marketing<br>Chapter 8 |

# Product/Service Technology

**Cluster Instructional Objective:** IDENTIFY THE BEST MEANS OF PACKAGING INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1375<br>Know the different types of packaging materials.<br><br>1376<br>Evaluate and select the most suitable packaging. | Discuss with students characteristics and attributes of various packaging materials. Also discuss these factors which must be considered when selecting the most suitable packaging:<br>1) handling<br>2) protection<br>3) identification<br>4) convenience<br>5) attractiveness<br>6) economy<br>7) environmental influences.<br><br>Bring to class several industrial products illustrating various types of packaging. Discuss each method, its advantages/disadvantages, and what type(s) of products would best be packaged by that method.<br><br>Given a list of various industrial product descriptions, students should determine the best type of packaging for each.<br><br>Have students visit a local distributor of industrial products and identify at least two products packaged by each method previously discussed. | The New Marketing<br>Chapter 6<br><br>Marketing Today<br>Chapter 9<br><br>Fundamentals of Marketing<br>Chapter 10 |

# Product/Service Technology



## Cluster Instructional Objective: DETERMINE AN EFFECTIVE SERVICE PROGRAM FOR INDUSTRIAL PRODUCTS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1377<br>Evaluate and select the most appropriate product service program.<br><br>1378<br>Know the different methods via which products can be serviced. | Discuss with students the services most commonly provided by industrial marketers:<br>1) <u>The provision of parts</u><br>a) standardized parts<br>b) unstandardized parts<br>c) problems with "pirate parts"<br>2) <u>Providing technical assistance</u><br>a) types of technical assistance<br>b) organization for technical assistance<br>c) problems of rendering technical assistance<br>3) <u>Providing financial aid</u><br>a) typical terms of sale for industrial products<br>b) types of financing - warehouse receipts, field warehousing, factors, commercial finance houses, installment sales.<br>Also discuss methods of servicing products, such as at the dealer's location, at the factory, etc.<br><br>Have each student choose a different industrial product and determine the most appropriate service program for that product. Students should research the topic, interview industrial marketing managers and salespeople, interview buyers of that product, etc., to prepare their reports.<br><br>Invite an appropriate business representative to speak to the class on product service programs for industrial products -- types of programs, factors to consider when determining an appropriate program, etc. | Industrial Marketing<br>Chapter 13 |

# Purchasing

## Cluster Instructional Objective: EXHIBIT GOOD BUYING TECHNIQUES IN EACH PHASE OF THE BUYING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1601<br>Set meaningful and effective buying objectives. | Explain to students that purchasing can contribute to the overall company objective of maximum profits only by setting and achieving a number of more specific objectives. Although Purchasing objectives may vary among companies, these objectives will most likely be included:<br>1) Minimum overall prices<br>2) Low cost of purchase and possession<br>3) Sources of uninterrupted supply<br>4) Rapid inventory turnover<br>5) Avoid duplication, waste, and obsolescence of materials<br>6) Consistent quality levels<br>7) Favorable vendor relationships<br>8) An adequate records system.<br>Other indirect goals concerned with Purchasing's related activities may include: value analysis, forecasting, standardization and simplification, product development, and vendor reciprocity. | Purchasing Agent's Desk Manual Section 9<br><br>Purchasing Principles and Applications - Chapter 2<br><br>Purchasing and Materials Management - Chapter 2<br><br>Materials Management and Purchasing - Chapter 3<br><br>Industrial Marketing Strategy Chapter 2 |
| OTHER CLUSTER COMPETENCIES:<br><br>1602<br>1603<br>1604 | If possible, obtain a copy of the buying objectives of several industrial firms. Students should read, discuss, and compare the objectives.<br><br>Have students identify a list of buying objectives and outline purchasing procedures and/or techniques that would enable each objective to be achieved. | |

# Purchasing



## Cluster Instructional Objective: EXHIBIT GOOD BUYING TECHNIQUES IN EACH PHASE OF THE BUYING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1602<br>Formulate buying steps needed to achieve buying objectives.<br><br>1603<br>Effectively execute each buying step in the program.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1601<br>1604 | Discuss with students the fundamental steps in the purchasing process:<br>1) Recognition of need<br>2) Description of requirement<br>3) Selection of possible sources of supply<br>4) Determination of price availability<br>5) Placing the order<br>6) Follow-up and expediting of the order<br>7) Checking the invoice<br>8) Processing discrepancies and rejections<br>9) Closing completed orders<br>10) Maintenance of records and files.<br>Also discuss these other activities associated with the purchasing process: maintenance of vendor relations, traffic management, receiving, inspection, storekeeping, inventory control, and scrap and surplus disposal.<br><br>Assign each student one of the buying steps listed in the activity above. Students should research the topic, and prepare a report to present to the class in which they:<br>1) Describe what is involved in the step.<br>2) Outline techniques to follow to effectively achieve the step.<br><br>Invite a buyer from a large industrial firm to speak to the class on the fundamental steps in the buying process and how to effectively execute each step. Students should have prepared questions to ask the speaker. | Purchasing Management<br>Part 1<br><br>Purchasing Agent's Desk Manual<br>Section 7<br><br>Purchasing Principles and Applications - Chapters 1, 2<br><br>Industrial Marketing<br>Chapter 5<br><br>Materials Management and Purchasing - Chapter 7<br><br>Purchasing and Materials Management - Chapters 2, 3 |

# Purchasing

## Cluster Instructional Objective: EXHIBIT GOOD BUYING TECHNIQUES IN EACH PHASE OF THE BUYING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1604<br>Measure and evaluate purchasing performance. | Explain to students that evaluation of the purchasing function is essential to the economic health of the firm and to the morale and development of purchasing personnel. Evaluation objectives are to improve performance, provide evaluation data on employees, improve morale and increase efficiency of employees, aid organization of functions, and facilitate coordination. Evaluation involves the comparison of what is being done by purchasing personnel with these possible standards:<br>1) budgeted performance<br>2) past performance levels<br>3) ideal performance levels<br>4) performance of purchasing personnel in other firms.<br><br>Discuss the factors to be considered in the evaluation process, such as:<br>1) volume of work handled<br>2) return on investment<br>3) quality criteria (number of rejected shipments, defects discovered during production, etc.)<br>4) quantity criteria (downtime due to shortages, percentage of rush orders, inventory turnover rate, etc.)<br><br>(Continued on next page.) | Purchasing Principles and Applications - Chapter 24<br><br>Purchasing Agent's Desk Manual Section 11<br><br>Purchasing Management Chapter 21<br><br>Purchasing and Materials Management - Chapter 16<br><br>Materials Management and Purchasing - Chapter 19 |

OTHER CLUSTER COMPETENCIES:

1601
1602
1603

# Purchasing



## Cluster Instructional Objective: EXHIBIT GOOD BUYING TECHNIQUES IN EACH PHASE OF THE BUYING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1604 (Cont.) | 5) price criteria (number and nature of price changes, number of orders placed on competitive bidding/negotiation, price paid compared to standard price-indexes, etc.)<br>6) cost savings (savings by: change of source, change in method of buying, substitution, change in specification, standardization, transportation costs, packaging, etc.)<br>7) efficiency of operations (total purchasing costs by dollar volume, number of small orders, cash discounts earned and forfeited, number of unprocessed requisitions on hand, etc.)<br>8) miscellaneous - sales of scrap and waste, number of vendor visitations, business and professional meetings attended, staff training courses, etc.<br><br>Invite the Purchasing manager of a large firm to explain to the class how purchasing performance is evaluated and outline procedures to follow when conducting the evaluation. | |

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1605<br>Interpret, understand, and implement company buying policies and practices. | Explain to students that written policies and procedures guide routine performance -- management decisions are needed only when an exceptional problem arises. The best-managed firms have manuals for materials policies and procedures.<br>Advantages of manuals are:<br>1) promote good interdepartmental relations<br>2) make supervision easier<br>3) encourage standard practices<br>4) improve procedures<br>5) aid in training. | Purchasing Management<br>Chapters 2, 4<br><br>Purchasing Agent's Desk Manual - Section 7<br><br>Purchasing Principles and Applications - Chapter 20<br><br>Materials Management and Purchasing - Chapter 3<br><br>Purchasing and Materials Management - Chapter 2 |
| OTHER CLUSTER COMPETENCIES:<br><br>1606<br>1607<br>1608<br>1609<br>1610<br>1611<br>1612 | Discuss with students policies common to the purchasing function, including policies that may fall under these categories:<br>1) internal relationships<br>2) vendor relationships<br>3) policies on supply source<br>4) policies on source selection<br>5) policies regarding reciprocity<br>6) restrictions on purchasing<br>7) personal purchases<br>8) other.<br><br>Obtain or arrange to borrow policy manuals from several industrial firms for students to review and discuss. Provide a list of questions regarding purchasing procedures and policy matters for students to look up. Students should compare policies from the different manuals to note their similarities and differences. | |

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1606<br>Understand and apply specialized purchasing procedures, i.e., blanket orders. | Explain to students that specialized purchasing procedures were developed to deal with the problems that arise in purchasing the vast number of items that are small in value but constitute the greatest number of total items purchased -- items generally known as maintenance, repair, and operating supplies (MRO). Discuss these specialized purchasing procedures:<br>1) blanket orders<br>2) stockless purchasing<br>3) national contracts<br>4) systems contracting<br>5) small-order procedures<br>6) cash pickup orders<br>7) "blank check" orders.<br><br>Divide students into small groups and have each group research one of the specialized purchasing procedures listed in the activity above. Each group should prepare a report to present to the class.<br><br>If possible, obtain a sample copy of the specialized purchasing procedures used by one or more industrial firms. Students should discuss and compare these procedures. | Purchasing Management<br>Chapter 4<br><br>Purchasing Agent's Desk Manual - Section 7<br><br>Purchasing Principles and Applications - Pages 96-103<br><br>Purchasing and Materials Management - Chapter 3<br><br>Materials Management and Purchasing - Pages 572-7 |
| OTHER CLUSTER COMPETENCIES:<br><br>1605<br>1607<br>1608<br>1609<br>1610<br>1611<br>1612 | | |

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1607<br>Understand and buy within legal boundaries. | Explain to students that the primary interest of a purchasing agent in legal matters is to use a knowledge of the basic principles of law in such a way as to avoid litigations. Discuss the legal aspects of purchasing, including such topics as:<br>1) essentials of contract law<br>2) the law of agency<br>3) fraud<br>4) warranties and product liability<br>5) commercial arbitration<br>6) inspection, acceptance, rejection, returns<br>7) patent rights<br>8) antitrust laws<br>9) OSHA<br>10) purchase order clauses. | Purchasing Agent's Desk Manual Section 6<br><br>Purchasing Management Chapter 17<br><br>Purchasing Principles and Applications - Chapter 22<br><br>Purchasing and Materials Management - Chapter 12<br><br>Materials Management and Purchasing - Chapter 5 |
| OTHER CLUSTER COMPETENCIES:<br><br>1605<br>1606<br>1608<br>1609<br>1610<br>1611<br>1612 | Assign each student a different legal aspect of purchasing. S/he should research the topic and prepare a report to present to the class.<br><br>Provide case studies regarding the legal aspects of purchasing for students to read and discuss.<br><br>Invite an experienced buyer to speak to the class on the legal aspects of buying for an industrial firm. | |

# Purchasing



## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

### Competency

1608
Understand the techniques of value analysis.

OTHER CLUSTER COMPETENCIES:

1605
1606
1607
1609
1610
1611
1612

### Suggested Learning Activities

Convey to students the idea that value analysis combines the three most important areas of interest to Purchasing (quality, price, and source of supply) in the form of design analysis of quality specifications, price analysis, and supplier source analysis. The value analysis procedure usually includes the use of a detailed checklist to make sure that every pertinent question is asked about each component. The checklist of ten "Tests for Value" originally compiled and used in the purchasing department of General Electric and widely adapted throughout industry and the Department of Defense states:

Every material every part, every operation must pass these tests:

1) Does its use contribute value?
2) Is its cost proportionate to its usefulness?
3) Does it need all of its features?
4) Is there anything better for the intended use?
5) Can a usable part be made by a lower-cost method?
6) Can a standard product be found which will be usable?
7) Is it made on proper tooling, considering quantities used?
8) Do material, reasonable labor, overhead and profit total its cost?
9) Will another dependable supplier provide it for less?
10) Is anyone buying it for less?

Discuss the techniques and procedures involved when conducting a value analysis.

### References

Purchasing Management
Chapter 11

Purchasing Principles and Applications - Chapter 17

Purchasing Agent's Desk Manual
Section 8

Industrial Marketing
Chapter 6

Principles of Creative Selling
Page 390

Materials Management and Purchasing - Chapter 14

Purchasing and Materials Management - Chapter 15

Industrial Marketing Strategy
Pages 40-2

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1609<br>Assess the feasibility of buying or making the product. | Explain to students that it is the responsibility of the purchasing department to evaluate the option of either purchasing an item from outside suppliers or having the firm's own production department produce the item internally. This is commonly known as the make-or-buy decision. Additionally, companies may decide to do all fabricating and machining in their own plant or have some of this work done by outside firms (subcontracting). Most companies make an analysis of these five basic factors before reaching a make-or-buy decision:<br>1) cost considerations<br>2) quality considerations<br>3) quantity considerations<br>4) ability to manufacture<br>5) reliability of source of supply.<br>Discuss the questions that should be asked regarding each factor, and how each affects the total analysis. | Purchasing Management<br>Chapter 13<br><br>Purchasing Agent's Desk Manual<br>Section 7<br><br>Purchasing Principles and Applications - Chapter 13<br><br>Purchasing and Materials Management - Chapter 10<br><br>Materials Management and Purchasing - Chapter 11<br><br>Industrial Marketing<br>Pages 85-7<br><br>Industrial Marketing Strategy<br>Pages 42-3<br><br>Marketing Today<br>Pages 213-4 |
| OTHER CLUSTER COMPETENCIES:<br><br>1605<br>1606<br>1607<br>1608<br>1610<br>1611<br>1612 | Invite an experienced buyer to speak to the class about the procedures and factors involved in the make-or-buy decision (OR have selected students interview buyers for this information).<br><br>Provide case problems which give pertinent facts regarding make-or-buy decisions which must be made in various situations. Students should analyze each case and determine whether it would be best to make or buy the item, and why. | |

# Purchasing



## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

### Competency

1610
Effectively secure price information.

OTHER CLUSTER COMPETENCIES:

1605
1606
1607
1608
1609
1611
1612

### Suggested Learning Activities

Explain to students that although price is a consideration of major importance in any purchase transaction, price is meaningless unless it is predicated on adequate quality, assured delivery, reliability and continuity of supply, and satisfactory commercial relations. In order to know that a price being quoted is right, a buyer must know--for all materials, supplies, equipment, and services used by the firm--what quality or quality range is suitable and must then become familiar with the prices being asked by acceptable suppliers. The buyer can intelligently evaluate prices in terms of needs only if s/he knows the price quotations, considers all related cost elements such as transportation, handling, service, and delivery performance, and relates the true cost to the firm's delivery requirements. In order to effectively secure price information, these points should be followed:

1) Determine quality and quantity needed.
2) Organize and effectively use catalogs, price sheets, published market data, etc.
3) Analyze strengths and weaknesses of suppliers' products, processes, and services.
4) Assess ordering costs, transportation, and carrying charges.
5) Consider discounts offered.
6) Consider pertinent legislation affecting price.
7) Obtain bids or seek to negotiate.

Discuss these points and how to effectively carry out each step.

(Continued on next page.)

### References

Purchasing Management
Chapter 9

Purchasing Principles and
Applications - Chapter 11

Purchasing Agent's Desk Manual
Section 3

Materials Management and
Purchasing - Chapter 13

Purchasing and Materials
Management - Chapter 7

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1610 (Cont.) | Assign each student a different item to be purchased. From catalogs, price sheets, and other data which you provide, students should secure price information regarding that item. | |

# Purchasing



## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

### Competency

1611
Prepare and implement competitive bidding programs.

OTHER CLUSTER COMPETENCIES:

1605
1606
1607
1608
1609
1610
1612

### Suggested Learning Activities

Discuss with students the competitive bidding process. Point out that bids may be used by a firm as a means of developing a list of suppliers for a product not previously purchased or to secure alternative sources of supply. Industrial firms frequently use bids when buying special, nonrepeat items such as heavy equipment or machinery; for term-contract purchases of fabricated parts or materials; and when making goods under government contracts in order to establish costs to the satisfaction of the government.

Bids are obtained by buyers through the use of a special form called an Invitation to Bid or Request for Quotation, which is similar to a purchase order in form. (Show examples of such forms.) These forms describe in detail the item on which bids are sought, including an accurate description, quantity desired, conditions of delivery, end use of the item, and terms of the transaction. Bid requests also usually state the manner in which the bids will be handled, the time during which bids will be accepted, and other pertinent information. The use of a standard bid form is necessary in order to secure all quotations on an equal basis so that accurate comparisons can be made. When bids are received from the prospective suppliers, they are listed and tabulated to facilitate comparison. The industrial buyer is under no obligation to accept the lowest bid, but is likely to make the decision on the basis of a comparison of service and quality considerations as well as price. A

(Continued on next page.)

### References

Purchasing Management
Pages 198-200

Purchasing Principles and Applications - Pages 206-7

Industrial Marketing
Pages 81-3

Purchasing and Materials Management - Pages 299-304

Materials Management and Purchasing - Pages 396-404

Industrial Marketing Strategy
Pages 149-52

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1611 (Cont.) | buyer may not accept any of the submitted bids if they are too high or collusion is suspected. In either of these cases, the buyer may request new bids or enter into direct negotiations with one or more of the bidding firms to arrive at a satisfactory contract. All quotations should be kept confidential.<br>Since the industrial buyer does not necessarily accept the lowest bid, but evaluates bids in terms of quality, price, and service, these points should be considered:<br>1) Are the specifications identical on all submitted bids?<br>2) Do all suppliers understand the manufacturing requirements?<br>3) Are the specifications accurate and complete?<br>4) How anxious are the bidders for the business?<br>5) Have former dealings with bidders been satisfactory?<br>6) How long have the bidding suppliers been in business?<br>7) Do all suppliers have technically qualified personnel?<br>8) Is time of delivery important?<br>9) Is the proximity of sources a significant factor?<br><br>Have students outline procedures they would follow in order to prepare and implement a successful<br><br>(Continued on next page.) | |

# Purchasing



## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1611 (Cont.) | competitive bidding program. Students should compare and evaluate each other's plans in a class discussion.<br><br>Prepare a hypothethical situation in which bids have been submitted for an item to be purchased. Have students analyze and evaluate bids according to other pertinent information which you provide. | |

# Purchasing

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF PURCHASING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1612<br>Understand and apply purchasing budgets. | Lead a class discussion about purchasing budgets. Point out that the purchasing or materials budget (an estimate of the amount of materials, parts & supplies to be purchased during the budget period) is distinct from the department operations budget (deals with the estimated costs of running the purchasing department). Discuss the reasons for budgeting purchases:<br>1) to achieve better control -- expenditures for materials and supplies are correlated with anticipated needs and probable market trends<br>2) to keep materials in balance -- balance tends to keep inventory turnover high and cuts the danger of loss through obsolescence and production shutdowns due to shortages<br>3) to establish standards of performance<br>4) to permit the adequate and orderly planning of finances to meet commitments.<br><br>Discuss with students how purchasing budgets are formulated. Point out that two types of information are needed to prepare a purchasing budget--the sales forecast and the projected production schedule. Show students actual sample purchasing budgets to examine and analyze.<br><br>Have students prepare simple purchasing budgets from hypothetical data which you provide. | Purchasing Management<br>Pages 452-3<br><br>Purchasing Agent's Desk Manual<br>Section 9<br><br>Purchasing Principles and Applications - Chapter 19 |

OTHER CLUSTER COMPETENCIES:

1605
1606
1607
1608
1609
1610
1611

# Purchasing



## Cluster Instructional Objective: DETERMINE APPROPRIATE SOURCES OF SUPPLY.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1613<br>Identity and locate sources of supply. | Explain to students that the first step in the procedure of source selection involves the preparation of a complete list of prospective suppliers. Discuss how this list may be built from the following:<br>1) experience<br>2) salesperson interviews<br>3) catalogs<br>4) trade directories<br>5) trade journals<br>6) business associates<br>7) trade shows and conventions<br>8) professional meetings<br>9) requests for quotations.<br><br>Have each student pick a particular product to be purchased and develop a list of prospective suppliers for that product. | Purchasing Management<br>Chapter 5, 6<br><br>Purchasing Agent's Desk Manual<br>Section 4<br><br>Purchasing Principles and Applications - Chapter 12<br><br>Purchasing and Materials Management - Chapter 6<br><br>Materials Management and Purchasing - Chapter 12 |
| OTHER CLUSTER COMPETENCIES:<br><br>1614<br>1615<br>1616 | | |

# Purchasing

## Cluster Instructional Objective: DETERMINE APPROPRIATE SOURCES OF SUPPLY.

### Competency

1614
Objectively evaluate sources of supply.

OTHER CLUSTER COMPETENCIES:

1613
1615
1616

### Suggested Learning Activities

Explain to students that once the list of possible suppliers has been compiled, the purchaser must then evaluate each supplier so that the list may be narrowed down. This evaluation process involves comparing the suppliers in terms of their ability to provide the desired quality, quantity, price, and service. Discuss the factors to be considered in supplier evaluation:

1) geographic location of the supplier
2) reserve facilities available
3) stage of a supplier's technological development and interest in keeping current
4) kind and form of warranty and services offered
5) labor relations with workers
6) inspection methods and quality control standards
7) credit and financial analysis
8) record of performance and relations with other customers.

Discuss with students how to use these supplier evaluation techniques:

1) the categorical method
2) the weighted-point method
3) the cost-ratio method
4) plant visitations.

Have students evaluate suppliers according to hypothetical data which you provide, using the factors and different methods discussed previously.

### References

Purchasing Management
Chapters 5, 6

Purchasing Agent's Desk Manual
Section 4

Purchasing Principles and
Applications - Chapter 12

Materials Management and
Purchasing - Chapter 12

Purchasing and Materials
Management - Chapter 6

# Purchasing



## Cluster Instructional Objective: DETERMINE APPROPRIATE SOURCES OF SUPPLY.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1615<br>Anticipate needs and develop alternative sources of supply.<br><br>1616<br>Anticipate and plan for contingencies, i.e., strikes.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1613<br>1614 | Have students identify a list of reasons or events that might occur which would necessitate seeking alternative sources of supply.<br>EXAMPLES:<br>strikes<br>threatened shortages<br>expected increase in demand<br><br>Provide case studies for students to read and discuss which portray situations in which a buyer must plan for alternative sources of supply and the effects of <u>not</u> doing so. | Purchasing Management<br>Chapter 16<br><br>Purchasing Agent's Desk Manual<br>Section 9<br><br>Purchasing Principles and Applications - Chapter 15<br><br>Materials Management and Purchasing - Chapter 6<br><br>Purchasing and Materials Management - Chapter 8 |

# Purchasing

## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

### Competency

1617
Organize and maintain adequate purchasing files and records.

OTHER CLUSTER COMPETENCIES:

1618
1619
1620
1621
1622



### Suggested Learning Activities

Point out to students that the work of a purchasing department involves a great variety and volume of detail and paperwork. Efficient recordkeeping systems can help speed and control the routine aspects of purchasing. Show examples of each type of basic form and purchasing record, explain its use, and discuss how to maintain these records:

FORMS
1) Purchase requisition
2) Traveling requisition
3) Request for quotation
4) Purchase order
5) Follow-up forms
6) Receiving forms
7) Rejection forms
8) Other

RECORDS
1) Purchase record
2) Vendor record
3) Blueprint and specification records
4) Contract file
5) Printed forms record
6) Tool and die record
7) Purchase order journal.

Also discuss how various mechanical and electronic data processing equipment, including computers, are being used to eliminate manual clerical work in Purchasing.

(Continued on next page.)

### References

Purchasing Management
Chapter 3

Purchasing Principles and
Applications - Chapter 5

Purchasing Agent's Desk Manual
Section 7

Purchasing and Materials
Management - Chapter 3

Materials Management and
Purchasing - Chapter 18

# Purchasing



## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1617 (Cont.) | Have students plan a recordkeeping system for purchasing records by:<br>1) Describing what forms should be used, how many copies of each form are needed, and where each copy goes.<br>2) Outlining procedures for organizing and maintaining files and records.<br>3) Outlining methods of control.<br><br>A field trip is planned for competencies #1618 and 1620 to observe the inventory control procedures and receiving and inspection process of a local industrial firm. Expand this trip to include observation of the firm's purchasing files and records. | |

# Purchasing

## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

### Competency

1618
Organize and administer effective inventory control systems.

OTHER CLUSTER COMPETENCIES:

1617
1619
1620
1621
1622



### Suggested Learning Activities

Explain to students that inventory control may be defined as the planning, ordering, and scheduling of materials in the manufacturing process. Although there are three recognized types of inventories--raw materials, work in process, and finished goods--the purchasing agent is primarily concerned with control over the raw materials inventory, which consists of raw or semiprocessed materials, fabricated parts, and MRO items. The four major reasons for maintaining sound inventory control procedures are:

1) Quantity purchases permit lower unit costs.
2) Quantity purchases permit efficient use of manpower, machines, and facilities--lower operating costs.
3) Quantity purchases assure optimum customer service and provide for efficient scheduling of internal operations.
4) Balancing unit costs, operating costs, and customer service with the cost of capital encourages good financial management in the inventory area.

Lead a class discussion on inventory control systems. Discuss with students:

1) Records required for inventory control
2) Determining amount of inventory that should be carried
   a) lead times
   b) order quantities
   c) estimated rates of usage

(Continued on next page.)

### References

Purchasing Management
Chapter 8

Purchasing Principles and Applications - Chapter 10

Purchasing Agent's Desk Manual
Section 2

Purchasing and Materials Management - Chapter 5

Materials Management and Purchasing - Chapters 9, 10

# Purchasing



## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1618 (Cont.) | 3) Inventory control systems<br>a) Minimum-Maximum<br>b) Perpetual-Inventory<br>c) Selective Inventory Control<br>d) Periodic Reordering<br>4) Opportunities for mechanization in inventory control.<br><br>Arrange a field trip to a local industrial firm in order for students to observe the firm's inventory control procedures. You will probably also want to have students observe the receiving and inspection process (Purchasing competency #1620) of the firm. | |

# Purchasing

## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

### Competency

1619
Understand the techniques of computing economic ordering quantities.

OTHER CLUSTER COMPETENCIES:

1617
1618
1620
1621
1622

379

### Suggested Learning Activities

Explain to students that economic order quantity (EOQ) determination is an analytic process based on the various costs associated with buying and stocking various quantities of inventory. These costs are generally grouped into two categories--carrying costs (cost of capital, storage cost, deterioration and obsolescence, insurance) and acquisition costs (salaries and operating expenses, supplies, services). Present the basic EOQ formula:

$$EOQ = \sqrt{\frac{2 \times \text{Annual Usage} \times \text{Acquisition Cost}}{\text{Unit Cost} \times \text{Carrying Cost}}}$$

Explain how to use the formula and the benefits of using the formula.

Provide problems for students to work where, using the formula, they find the EOQs for different items.

Example:

Item X has a steady annual usage of 20,000 units. Unit price is $5, incremental acquisition cost is $10 per order, and the carrying cost is 20% of the value of inventory per year.

$$EOQ = \sqrt{\frac{2 \times 20{,}000 \times 10}{5 \times .20}} = 632$$

(Continued on next page.)

### References

Purchasing Agent's Desk Manual
Section 2

Purchasing Principles and Applications - Chapter 9

Purchasing Management
Chapter 8

Purchasing and Materials Management - Chapter 5

Materials Management and Purchasing - Chapter 10

350

# Purchasing



## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1619 (Cont.) | Discuss other means of determining EOQ, such as:<br>1) Order quantity nomograph<br>2) Best order quantity table<br>3) Ordering chart based on the economical quantity curve<br>4) Quantity determination by policy. | |

# Purchasing

## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1620<br>Organize and administer effective receiving and inspection programs. | Lead a class discussion on receiving and inspection programs. Explain that inspection of deliveries, including the application of appropriate tests in some cases, is essential to ensure that the quality and quantity of the delivery is in conformance with the order as promised by the supplier. The method of inspection, when inspection is necessary, and how much inspection should be used depends on the type of product or materials under consideration and on its importance to the buyer. Discuss these methods of inspection:<br>1) Supplier certification agreements<br>2) Routine sight count and brand verification<br>3) Inspection and acceptance testing by the buyer's firm in the supplier's plant<br>4) Acceptance Sampling plans<br>a) Single sampling<br>b) Double and multiple sampling<br>c) Sequential sampling. | Purchasing Principles and Applications - Chapter 8<br><br>Purchasing Management Chapter 7<br><br>Purchasing Agent's Desk Manual Section 1<br><br>Purchasing and Materials Management - Pages 78-9; Chapter 4<br><br>Materials Management and Purchasing - Pages 51-4 |
| OTHER CLUSTER COMPETENCIES:<br><br>1617<br>1618<br>1619<br>1621<br>1622 | Have students identify types of products and/or materials that would best be inspected by each of the methods presented in the above activity.<br><br>In Purchasing competency #1618, a field trip was suggested to observe the inventory control procedures of a local industrial firm. Expand this trip so that students may also observe the receiving and inspection process in action. | |

# Purchasing



## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

### Competency

1621
Follow up and insure delivery as promised.

OTHER CLUSTER COMPETENCIES:

1617
1618
1619
1620
1622

### Suggested Learning Activities

Discuss with students why it is important for a buyer to follow up and expedite orders to insure delivery of needed parts, materials, and supplies. Discuss these basic follow-up procedures and what is involved in each:

1) Secure an acceptance and promise of delivery.
2) Record the date orders are expected.
3) Review outstanding orders at regular intervals.
4) Communicate with suppliers as required.

Explain that routine follow-up can usually be effected by simple routine methods, such as a pre-printed postcard or form requesting specific delivery information. As the need for expediting becomes stronger, the tone and method of follow-up become stronger and more personalized. The usual sequence of follow-up is: personal letter, telegram, telephone call, and personal interview. The particular action and amount of pressure applied must be adjusted to the circumstances.

Provide case problems regarding purchase transactions which call for a follow-up measure of some kind to be taken. Students should analyze each situation and determine the appropriate action needed.

### References

Purchasing Management
Pages 52-3

Purchasing Principles and Applications - Pages 93-4

Materials Management and Purchasing - Pages 418-20

Purchasing and Materials Management - Pages 76-8; 465-6

# Purchasing

## Cluster Instructional Objective: RECOMMEND SUITABLE INVENTORY CONTROL SYSTEMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1622<br>Handle claims in a professional manner. | Explain to students that any negotiations with suppliers about rejections or errors should be handled through the Purchasing department because:<br>1) It is the only way to ensure good relations between the seller and buyer.<br>2) If Purchasing is to be held accountable for procuring goods of the right quality, Purchasing should negotiate with suppliers about errors and rejections, since future relationships might be affected by those negotiations.<br>3) It is always possible that the fault may rest with the buyer rather than the seller.<br>When rejection is necessary, a clear statement of the reasons (including all pertinent data) is vitally important in order to minimize the possibility of arguments. Unnecessary or continued arguing will likely result in ill will on both sides and may jeopardize a potentially mutually beneficial relationship. The same procedure should be followed in the case of short, inaccurate, or damaged goods.<br><br>Provide case studies regarding purchasing transactions which require a rejection or claim when received goods are deemed unsuitable for some reason. Students should analyze each situation, determine what action should be taken, and describe procedures recommended for handling the claim. | Purchasing Management<br>Pages 158-9<br><br>Purchasing and Materials Management - Pages 141-2 |

OTHER CLUSTER COMPETENCIES:

1617
1618
1619
1620
1621

# Purchasing



## Cluster Instructional Objective: OUTLINE PROCEDURES FOR SCRAP DISPOSAL.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1623<br>Understand processes for disposing of scrap. | Explain to students that all production operations generate materials or equipment that may be classified as scrap, salvage, surplus, or waste. A manufacturer buys things it doesn't need, things that are only partially used up, and things that ultimately wear out. Scrap may come into being for these reasons: extensive forward buying, over-ordering, obsolescence, production rejects, policy or product changes, planning mistakes, failure to meet or perform to specifications, and depreciation, wear, or breakdown of capital items. When there is no longer a need for these materials or equipment, the purchasing department performs the final step of materials management by disposing of them.<br><br>Discuss the methods of disposing of scrap:<br>1) reclaim for use within the firm<br>2) return to original suppliers in original form or as scrap residue<br>3) sell "as-is" to other buyers<br>4) sell to dealers<br>5) let scrap disposal be handled by a scrap consultant.<br><br>Have students contact purchasing managers from several local firms to determine how scrap is disposed of by each firm. Students should outline procedures followed by each firm and note their similarities and differences. | Purchasing Management<br>Chapter 15<br><br>Purchasing Agent's Desk Manual<br>Section 7<br><br>Purchasing Principles and Applications - Pages 196-9<br><br>Purchasing and Materials Management - Chapter 11<br><br>Materials Management and Purchasing - Pages 420-2 |



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# Purchasing

## Cluster Instructional Objective: IDENTIFY THE IMPACT OF THE ECONOMY ON PURCHASING DECISIONS.

### Competency

1624
Assess the economy.

1625
Anticipate potential economic problems and rank them by severity and probability.

OTHER CLUSTER COMPETENCIES:

1626



### Suggested Learning Activities

Explain to students that a buyer should strive to increase his/her familiarity with the behavior of supply, demand, and prices for all major commodities, parts, and raw materials that s/he may be charged with purchasing. This can be done by singling out any national indicators which may affect conditions in the industry and hunting for sources that will permit appraisal of business trends for both competitors and suppliers. Daily communications with salespeople and representatives of other businesses can be useful in this process as well. Leading indicators are:

1) Gross National Product
2) Manufacturing production indexes
3) New plant and equipment expenditures
4) Manufacturers' inventories
5) Manufacturers' new orders
6) Unemployment rate
7) Dow-Jones Commodity Index
8) Monthly report of contract awards
9) Corporate profits after taxes
10) other.

The most complete group of statistics published under one cover is the Economic Indicators, which is available from the Government Printing Office in Washington, D.C. Other economic data may be found in newspapers, trade journals, and government publications produced by the Department of Commerce, Labor Department, Bureau of Labor Statistics, and the Federal Reserve Board.

Assign each student a specific topic relating to the economy. Students should research their topics and present a report to the class.

### References

Purchasing Management
Chapter 16

Purchasing Agent's Desk Manual
Section 9

Purchasing Principles and Applications - Chapter 15

Purchasing and Materials Management - Chapter 8

Materials Management and Purchasing - Chapter 6

# Purchasing



## Cluster Instructional Objective: IDENTIFY THE IMPACT OF THE ECONOMY ON PURCHASING DECISIONS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1626<br>Understand forward buying, speculation, and commodity markets. | Explain to students that the practice of buying according to immediate needs and meeting a company's minimum requirements is often designated as "hand-to-mouth" buying. However, most companies prefer to buy in order to take advantage of fluctuating market conditions. Discuss these purchasing techniques, and how and when each may be used:<br>1) Forward Buying<br>a) ordinary forward buying<br>b) speculative buying<br>c) gambling<br>2) Hedging on the commodity markets.<br><br>Divide students into four groups and have each group prepare a report on one of the purchasing techniques listed in the above activity to present to the class.<br><br>Invite an experienced buyer from a local firm to speak to the class on forward buying and hedging on the commodity markets. | Purchasing Management<br>Chapter 16<br><br>Purchasing Agent's Desk Manual<br>Section 9<br><br>Purchasing Principles and Applications - Chapter 15<br><br>Purchasing and Materials Management - Chapter 8<br><br>Materials Management and Purchasing - Chapter 6 |
| OTHER CLUSTER COMPETENCIES:<br><br>1624<br>1625 | | |

# Purchasing

## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT SELLING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1627<br>Understand and adapt to different types of salespeople and different selling methods. | Discuss with students the idea that salespeople are individuals who will have differing personalities, but a buyer must identify, adapt to, and effectively deal with each. Have students identify the various types of salespeople they may come in contact with and ways to handle each.<br><br>See "Selling" competency #1970 for a list of selling methods most used by salespeople. Discuss how a buyer may effectively handle each selling method.<br><br>Divide students into pairs and have each pair plan, prepare, and present a role-playing situation to the class which portrays a particular "type" of salesperson utilizing a specific selling method, and the buyer effectively dealing with the situation. Students should analyze each role-play and offer comments or suggestions for improvement. | Sales Management<br>Chapter 5<br><br>Selling Principles and Methods - Chapter 10<br><br>Selling: The Personal Force in Marketing<br>Part 4<br><br>Industrial Marketing Strategy - Chapter 3 |

OTHER CLUSTER COMPETENCIES:

1628
1629

# Purchasing



## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT SELLING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1628<br>Understand and show respect for the salesperson's position and time. | Discuss with students the importance of respecting the salesperson's position and time in order to make a favorable impression of him/herself and the company s/he represents. This will aid in the negotiation process, increase services, and maintain rapport with suppliers.<br><br>Have students identify a list of ways that a buyer may show respect for a salesperson's position and time.<br>EXAMPLES:<br>--When an appointment must be broken, notify the salesperson as soon as possible.<br>--Be courteous before, during, and after the call.<br>--Listen carefully to what the salesperson has to say. | Purchasing and Materials Management - Pages 225-6 |
| OTHER CLUSTER COMPETENCIES:<br><br>1627<br>1629 | | |

# Purchasing

## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT SELLING TECHNIQUES.

### Competency

1629
Effectively negotiate with salespeople.

OTHER CLUSTER COMPETENCIES:

1627
1628



### Suggested Learning Activities

Discuss with students:
1) the concept of negotiation
2) when to use negotiation
3) preparation for negotiation
4) what to negotiate
5) who should negotiate
6) negotiation and the law.

Point out to students the human element in negotiation--the process involves personalities, human motives, individual strengths and weaknesses, and psychology. These general rules may help turn the human element in negotiations to the buyer's advantage:
1) Arrange for the negotiations to take place on your home ground.
2) Let the supplier do most of the talking--s/he may make concessions s/he never intended to make.
3) When it's your turn to talk, have all pertinent information at hand.
4) Try to avoid emotional reactions to the supplier's arguments.
5) Avoid an emotional approach in presenting your own arguments.
6) Avoid premature showdowns.
7) Avoid impasses whenever possible.
8) Always negotiate in good faith.

(Continued on next page.)

### References

Purchasing Agent's Desk Manual
Section 5

Purchasing Management
Chapter 10

Purchasing Principles and Applications - Chapter 17

Industrial Marketing
Pages 83-5

Materials Management and Purchasing - Pages 404-15

Purchasing and Materials Management - Pages 304-6

Industrial Marketing Strategy - Pages 62-4

# Purchasing



## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT SELLING TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1629 (Cont.) | Have students identify a list of attributes a good negotiator should possess.<br>EXAMPLES:<br>--S/he must be a clear, rapid thinker.<br>--S/he must express her/himself well and easily.<br>--S/he must be tactful, have poise, and self-restraint.<br>--S/he must possess a sense of humor.<br><br>Divide students into negotiating teams and have them role-play negotiation sessions. | |

# Purchasing

## Cluster Instructional Objective: IDENTIFY REASONS FOR FAILURES IN BUYING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1630<br>Analyze and accept buying failures.<br><br>1631<br>Seek wisdom and skills to avoid repeating buying mistakes. | Explain to students that a purchasing agent can be psychologically pleased with his/her professional performance when s/he has accomplished the following:<br>1) purchased the right product--it meets specifications and the using department is pleased<br>2) purchased it at the right price<br>3) purchased it at the right time--not too early to incur inventory costs and not to late to incur production line stoppages<br>4) purchased it in the right quantity--not too much or too little<br>5) purchased the product from the right supplier -one who delivers what is promised.<br>However, situations will occur from time to time which must be considered "buying failures." The buyer must accept these failures, analyze the mistakes to identify the causes of the errors, and determine how to avoid repeating these mistakes.<br><br>Have students identify a list of buying failures that might normally occur in the purchasing process. Students should determine ways of avoiding each mistake.<br><br>Provide case problems for students to read and analyze in which a buying failure occurs during or as a result of the purchasing process. Students should determine the cause of each failure, corrective measures that can be taken, and preventative measures that should be taken in order to avoid repeating the mistake. | Purchasing and Materials Management - Chapter 16 |

# Purchasing



## Cluster Instructional Objective: RECOGNIZE THE IMPORTANCE OF TRAINING PROGRAMS FOR PURCHASING SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1632<br>Discipline self to read, study, and apply new buying techniques for professional growth. | Point out to students that training is a never-ending process for the purchasing professional. The emphasis placed upon continuing education by the National Association of Purchasing Management (by making advanced study courses available to its members) stresses this point. There are three broad types of continuing education that have proved most effective for Purchasing:<br>1) Refresher courses<br>2) Periodic staff meetings<br>3) Outside training.<br>Discuss each type of training, what could be included in each session, and how each might be conducted. | Purchasing Principles and Applications - Pages 80-2<br><br>Purchasing Agent's Desk Manual - Section 11, Pg. 14<br><br>Purchasing and Materials Management - Chapter 15 |
| | Have students prepare a brief paper in which they explain why continuous training is essential for growth in the purchasing profession. Students should also outline procedures and/or methods for this development. | |
| OTHER CLUSTER COMPETENCIES:<br><br>1633 | Have each student find a read a trade journal article regarding a new development or procedure in Purchasing, and present a brief summary to the class. | |

# Purchasing

## Cluster Instructional Objective: RECOGNIZE THE IMPORTANCE OF TRAINING PROGRAMS FOR PURCHASING SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1633<br>Effectively work with others in training new buyers. | Explain to students that a thorough training program is necessary to familiarize each trainee with the actual mechanics of purchase transactions and the related duties of the purchasing function. Since products and manufacturing processes vary from company to company, material requirements and acceptable quality standards vary as well as systems and procedures for purchasing. A general training program should provide trainees with:<br>1) Knowledge of the firm's processes, equipment, and products.<br>2) Knowledge of the flow of materials.<br>3) Knowledge of forms and record controls used.<br>4) Knowledge of other departments' work and Purchasing's relationship to them.<br>5) Knowledge of company policies/purchasing policies. | Purchasing Agent's Desk Manual<br>Section 11<br><br>Purchasing Management<br>Pages 402-5<br><br>Purchasing Principles and Applications - Pages 75-82<br><br>Materials Management and Purchasing - Pages 626-31 |
| OTHER CLUSTER COMPETENCIES:<br><br>1632 | Discuss with students these methods of training purchasing personnel:<br>1) university training<br>2) semiformal classes or seminars<br>3) "big brother" method<br>4) training by functional rotation<br>5) trial and error.<br>Also discuss training techniques which may be utilized, such as: individual instruction, group instruction, lectures, demonstrations, role-playing, conferences, and staff meetings.<br><br>(Continued on next page.) | |

# Purchasing



## Cluster Instructional Objective: RECOGNIZE THE IMPORTANCE OF TRAINING PROGRAMS FOR PURCHASING SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1633 (Cont.) | Have each student pick a topic used in the orientation of a new Purchasing trainee. Students should outline a plan for presenting the topic in a training session and/or develop the lesson to present to the class. | |

# Selling

## Cluster Instructional Objective: DETERMINE INDIVIDUAL BUYERS' NEEDS AND RESPOND ACCORDINGLY.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1963<br>Discriminate between different buyer types.<br><br>1964<br>Understand and relate to different types of buyers.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1965<br>1966<br>1967<br>1968<br>1969 | Discuss with students the idea that although all human beings have personality and behavioral traits in common, no two people are exactly alike. In order for a salesperson to perform successfully, s/he must be able to recognize the traits an individual buyer possesses, and adapt the sales approach accordingly. In general, buyers may be classified into the following types:<br>1) impulsive<br>2) deliberate<br>3) vacillating<br>4) talkative<br>5) silent<br>6) opinionated.<br><br>Discuss with students each of the buyer types listed above, and the techniques a salesperson might use to effectively deal with each one. Then have students plan, prepare, and present a role-playing situation in which a salesperson utilizes these techniques to handle a particular buyer type.<br><br>Provide case studies for students to analyze which involve situations where a salesperson is confronted by a particular type of buyer. Students should suggest the category into which the buyer could be placed, and suggest how the salesperson should deal with the buyer's individual traits through the development of an appropriate sales strategy. | Selling: The Personal Force in Marketing - Chapter 8<br><br>Selling Principles and Methods Chapters 3, 4<br><br>Industrial Marketing Chapter 4<br><br>The Standard Manual for Salesmen - Section 10<br><br>Industrial Marketing Strategy - Chapter 2 |

# Selling



## Cluster Instructional Objective: DETERMINE INDIVIDUALS BUYERS' NEEDS AND RESPOND ACCORDINGLY.

### Competency

1965
Understand and react objectively to the buying process.

OTHER CLUSTER COMPETENCIES:

1963
1964
1966
1967
1968
1969



### Suggested Learning Activities

Discuss with students the idea that the buying process exists for each and every industrial customer, and its real importance is that it shows how customers make a purchase decision, as well as what must be done if a company's product or service is to be considered and ultimately purchased. Although it is not possible to determine the buying process for all industrial companies, a relatively standard process follows:

1) recognition or anticipation of a problem or an unsatisfied need which can be overcome with the addition of a certain product
2) identification of alternative ways of achieving satisfaction
3) evaluation of alternatives (i.e., sources are analyzed for price, delivery, service, etc.)
4) purchase decision is made
5) postpurchase behavior (i.e., a follow-up is conducted to determine if the problem is solved)

Point out to students that it is important for a salesperson to become involved in this process early if his/her company is to be considered as a supplier of the required product or service.

Have students interview a buyer from a local industrial firm to outline the buying process followed by that company. Students should then discuss how the buying process would relate to the sales strategy they would develop for that buyer.

### References

Selling: The Personal Force in Marketing - Chapter 8

Selling Principles and Methods Chapters 3, 4

Industrial Marketing Chapter 5

The Standard Manual for Salesmen - Section 10

Fundamentals of Marketing Chapter 7

Industrial Marketing Strategy - Chapters 2, 3

# Selling

## Cluster Instructional Objective: DETERMINE INDIVIDUAL BUYERS' NEEDS AND RESPOND ACCORDINGLY.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1966<br>Identify and react to buyer motives. | Point out to students that there are two basic categories of motivation for buying--rational and emotional--and both exist in industrial marketing. However, because purchases must be justified on the basis of measurable performance, rational motives are more obvious. Rational motivating factors are those based primarily on economic considerations such as lowest price, reciprocity, technical assistance, service, certainty of delivery, and demands by customers and middlemen for certain brands. Emotional motivating factors are more subjective in nature and may best be explained by such things as the image of a supplier or a brand, the size of the supplier's operation, and whether or not a company is a present supplier or a new supplier.<br><br>Provide case studies for students to read and discuss involving a purchase decision being made on the basis of motivation. Students should tell whether the motives were rational or emotional, or both, and identify the specific motivating factors involved. Students should then discuss how these factors, when identified, would influence the sales approach. Students should then take turns role-playing a sales presentation which is appropriate for each motivating factors identified. | Industrial Marketing<br>Chapter 4<br><br>Selling Principles and Methods<br>Chapter 4<br><br>Industrial Marketing Management<br>Chapter 4<br><br>Fundamentals of Marketing<br>Chapter 7<br><br>Introduction to Professional Selling - Chapter 5 |
| OTHER CLUSTER COMPETENCIES:<br><br>1963<br>1964<br>1965<br>1967<br>1968<br>1969 | | |

# Selling



## Cluster Instructional Objective: DETERMINE INDIVIDUAL BUYERS' NEEDS AND RESPOND ACCORDINGLY.

### Competency

1967
Show respect for the buyer's position and time.

OTHER CLUSTER COMPETENCIES:

1963
1964
1965
1966
1968
1969



### Suggested Learning Activities

Point out to students that, by showing respect for a buyer's position and time the salesperson will make a favorable impression of him/herself, and the company s/he represents. This will increase the possibility of making an initial sale, as well as future business.

Discuss with students ways that a salesperson can show respect for a buyer's position and time:

1) Be informed in advance of the buyer's name, position, company operation, and other pertinent data.
2) Make an appointment for the meeting and be on time.
3) When an appointment must be broken, notify the buyer as soon as possible.
4) Have a definite purpose for the call, and state it as soon as possible.
5) Plan the presentation in advance.
6) Listen carefully to what the buyer says.
7) Watch for indications by the buyer that the meeting is over, and react accordingly.
8) Be courteous before, during, and after the call.

Devise role-playing situations whereby students assume the roles of a salesperson and a buyer. In each situation, students should demonstrate a salesperson making contact with a buyer and either showing (or failing to show) respect for the buyer's time and position. Other students should act as observers, and critique the salesperson's actions, making suggestions for improvement when necessary.

### References

Selling: The Personal Force in Marketing - Part 4

Selling: Principles and Methods - Chapter 10

Selling: A Self-Management Approach - Chapter 7

# Selling

## Cluster Instructional Objective: DETERMINE INDIVIDUAL BUYERS' NEEDS AND RESPOND ACCORDINGLY.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1968<br>Identify customer needs and problems.<br><br>1969<br>Effectively solve customer problems. | Lead a class discussion on ways to identify customer needs and the importance to the selling process of doing so. Point out to students that needs or problems in industrial companies most often originate in using departments through the demands of manufacturing operations or the programmed replacement of worn and obsolete equipment. These types of needs are referred to as "old needs," and lead to a familiar purchase decision process. A first-time problem or situation is referred to as a "new need." After a product or service has been purchased several times, and is then found to be inadequate, a "modified need" emerges. Therefore, the sales presentation must be adapted to fit the particular need once it has been identified.<br><br>Discuss with students the importance of continuous communication between the salesperson and the customer in order for the salesperson to be aware of needs or problems as they arise. Have students refer to the buying process presented in Selling competency #1965, and suggest how each step in this process relates to steps a salesperson would take to solve problems or satisfy customer needs.<br><br>Provide a series of case studies for students to read in which a customer encounters a problem that could possibly be solved by the purchase of a product or service. Students should imagine themselves as the salesperson who is charged with solving the customer's problem. Have each student state the problem and write a detailed description of the steps s/he would follow in attempting to solve the problem. | Industrial Marketing for Results<br>Chapters 2, 3<br><br>Selling: The Personal Force in Marketing - Chapter 5<br><br>Selling Principles and Methods<br>Chapter 10<br><br>Principles of Creative Selling<br>Chapter 14<br><br>Selling: A Managerial and Behavioral Science Analysis<br>Chapter 4<br><br>Selling<br>Chapter 1 |
| OTHER CLUSTER COMPETENCIES:<br><br>1963<br>1964<br>1965<br>1966<br>1967 | | |

# Selling



## Cluster Instructional Objective: PREPARE AN EFFECTIVE, COMPLETE SALES PRESENTATION.

### Competency

1970
Understand different selling methods in order to present the same idea in different ways.

OTHER CLUSTER COMPETENCIES:

1971
1972
1973
1974



### Suggested Learning Activities

Give a presentation of the following six approaches to selling, explaining each in detail and providing several examples to illustrate how and when each can be utilized:

1) Simple stimulus-response selling
2) Formulized selling
3) Need-satisfaction selling
4) Mood selling
5) Barrier selling
6) Depth selling (a combination of the above).

Arrange for students to interview several experienced industrial salespeople to determine which approach, or combination of approaches, those individuals utilize most often, and why. Students should discuss their findings with others in a class session.

Have each student prepare a written outline of a sales presentation for a particular industrial product using each of the approaches discussed previously. Students should also write a description of the buyer that each approach would be directed to. Then have each student briefly present the product to the class, demonstrating their ability to present the same idea in different ways.

### References

Sales Management
Chapter 5

Selling: The Personal Force in Marketing - Part 4

Selling: A Management and Behavioral Science Analysis
Chapter 8

Selling Principles and Methods
Chapter 10

Introduction to Professional Selling - Chapter 8

# Selling

## Cluster Instructional Objective: PREPARE AN EFFECTIVE, COMPLETE SALES PRESENTATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1971<br>Understand the sales process. | Discuss with students the following seven steps of the selling process:<br>1) Preparation--obtain information about the prospect's needs and wants in order to properly prepare the sales presentation.<br>2) Attention--attempt to get prospect to heed or listen to you.<br>3) Examination--find out what the prospect wants and why.<br>4) Prescription--help the prospect understand that you understand his/her problem and that you have a solution for it.<br>5) Conviction--explain your product or service to the satisfaction of the prospect.<br>6) Motivation--appeal to the prospect to get him/her to "want" the product or service.<br>7) Completion--ask for the order.<br>Point out to students that each of the above steps are interdependent, and the salesperson must be successful at each in order to make the final sale.<br><br>Given an industrial product to sell, have students describe how they would implement the steps of the sales process when giving a sales presentation of that product to the prospective buyer.<br><br>Divide students into pairs and assign each pair an industrial product. One student of each pair should role-play a sales presentation following the process discussed above. The other students should act as the buyer and evaluate the "salesperson's" ability to effectively execute the selling process. | Selling: The Personal Force in Marketing - Chapter 6<br><br>Selling<br>Chapter 1<br><br>Selling Principles and Practices<br>Chapter 11<br><br>Selling Principles and Methods<br>Part 3<br><br>Introduction to Professional Selling - Chapter 8 |

OTHER CLUSTER COMPETENCIES:

1970
1972
1973
1974

# Selling

## Cluster Instructional Objective: PREPARE AN EFFECTIVE, COMPLETE SALES PRESENTATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1972<br>Arrange and present selling points that make for a complete presentation. | Discuss with students that selling points are those features or benefits of a product, or line of products, which may hold a special appeal to the buyer. The selling points are not the same for every product and every buyer. Therefore, the salesperson must be aware of the particular selling point that will be best to emphasize in any given sales presentation. Selling points may be described in terms of cost, ease of installation and/or use, size, etc.<br><br>Have students select an industrial product and compose a list of that product's selling points, given various types of buyers. Students should share their lists in a class discussion. | Selling: The Personal Force in Marketing - Chapter 13<br><br>Selling<br>Chapter 8<br><br>Selling Principles and Methods<br>Chapter 11<br><br>Introduction to Professional Selling - Chapter 8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1970<br>1971<br>1973<br>1974 | Divide students into pairs. Utilizing the lists of selling points developed in the previous activity, have each pair role-play a sales situation in which one student presents the appropriate selling points to the other student, who is acting as a prospective buyer. The "buyers" in each pair should represent various buyer types, and should evaluate the "salesperson's" ability to choose and incorporate the most appropriate selling points into the presentation. | |

# Selling

## Cluster Instructional Objective: PREPARE AN EFFECTIVE, COMPLETE SALES PRESENTATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1973<br>Assemble and effectively use a sales portfolio. | Discuss with students the advantages of using a sales portfolio when giving a sales presentation, and items that commonly make up a portfolio:<br>-testimonial letters<br>-photostats<br>-photographs of the product in use<br>-lists of satisfied customers<br>-specification sheets<br>-brochures<br>-survey charts and graphs<br>-successful advertisements<br>Also, discuss some techniques for making effective use of a portfolio:<br>-Portfolios should not be so bulky that they cause prospects to fear a lengthy presentation.<br>-Present only one item at a time.<br>-Keep materials fresh, clean, and attractive so the prospect will receive a good impression.<br>-Utilize cross-indexing of material if possible.<br>-Include no material that could be used equally well by a competitor.<br><br>Arrange for a salesperson from a local industrial firm to give a presentation to the class on the assembly and use of a sales portfolio. If possible, ask the salesperson to bring several actual portfolios for students to examine.<br><br>Have each student choose a product, or line of products, and assemble a sample portfolio to be used<br><br>(Continued on next page.) | Principles of Creative Selling<br>Chapter 15<br><br>Selling Today: A Personal Approach - Chapter 14<br><br>Selling Principles and Methods<br>Chapter 11<br><br>Introduction to Professional Selling - Chapter 8 |

OTHER CLUSTER COMPETENCIES:

1970
1971
1972
1974

# Selling



## Cluster Instructional Objective: PREPARE AN EFFECTIVE, COMPLETE SALES PRESENTATION.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1973 (Cont.) | when making a sales presentation of those products. Students should then examine each portfolio and offer comments and/or suggestions for improvement. | |

# Selling

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF SELLING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1974<br>Understand and use visual selling tools. | Discuss with students the advantages of using visual selling tools when making a sales presentation:<br>1) simplifies the features and benefits of a product or service to enable the prospect to understand these more readily and easily<br>2) obtains and holds the prospect's attention<br>3) uses additional sensory organs to assist prospects in the assimilation of facts<br>4) creates a more vivid impression<br>5) increases the believability of the product/ presentation<br>6) aids in retention.<br><br>Discuss with students the visual selling tools which may be used in a sales presentation, providing actual samples of each:<br>catalogs<br>demonstration kits<br>direct view slides<br>filmstrips<br>flip charts<br>graphs<br>manuals and booklets<br>maps<br>mock-ups<br>models<br>motion pictures<br>photographs<br>portfolios<br>samples<br>sound slides<br>Ask students to offer suggestions about how and when each would best be used.<br><br>Ask a class project, have students develop visual tools to use in the presentation of a particular industrial product. | Principles of Creative Selling Chapter 15<br><br>Selling Today: A Personal Approach - Chapter 14<br><br>Selling: The Personal Force in Marketing - Chapter 14<br><br>Industrial Marketing Chapter 22<br><br>Selling Principles and Methods Chapter 11<br><br>Selling Principles and Practices Chapter 13<br><br>Introduction to Professional Selling - Chapter 8 |
| OTHER CLUSTER COMPETENCIES:<br><br>1970<br>1971<br>1972<br>1973 | | |

# Selling



## Cluster Instructional Objective: EXHIBIT GOOD SALESMANSHIP IN EACH PHASE OF THE SELLING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1975<br>Formulate and apply meaningful and effective personal sales objectives. | Discuss with students the need to formulate sales objectives that are consistent with corporate and marketing objectives, the company's overall marketing strategy and marketing plan, the substrategies of product, price, and channel, and with company's promotional objectives. Give students personal selling objectives to analyze.<br>EXAMPLES:<br>1) To capture and retain a certain market share.<br>2) To obtain some number of new accounts of given types.<br>3) To keep personal-selling expenses within set limits.<br>4) To secure targeted percentages of certain accounts' business.<br><br>Have students interview an industrial salesperson in order to determine how personal selling objectives are formulated in his/her company, who is responsible for their formulation, and how these objectives relate to the overall objectives of the organization. If possible, have the salesperson provide actual personal selling objectives for students to review.<br><br>Have students prepare a list of simple selling objectives. Students should compare their objectives with other students, and discuss ways these objectives could be achieved through personal selling. | Sales Management<br>Chapter 3<br><br>Selling: The Personal Force in Marketing - Chapter 7<br><br>Industrial Marketing Management<br>Chapter 9<br><br>Introduction to Professional Selling - Chapter 12 |
| OTHER CLUSTER COMPETENCIES:<br><br>1976<br>1977<br>1978 | | |

# Selling

## Cluster Instructional Objective: EXHIBIT GOOD SALESMANSHIP IN EACH PHASE OF THE SELLING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1976<br>Formulate effective selling steps needed in achieving objectives.<br><br>1977<br>Effectively execute each selling step in the program.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1975<br>1978 | Discuss with students the selling steps needed in order to achieve objectives:<br>1) Preparation<br>2) Prospecting qualified buyers<br>3) Pre-Approach Planning<br>4) Approach<br>5) Presentation<br>6) Handling Objections<br>7) Closing the sale<br>8) Follow-up<br>9) Servicing.<br>Discuss what is included in each step, and how successful completion of all steps will aid in the achievement of set objectives.<br><br>Have students choose an industrial product and outline the techniques they would utilize in completing each selling step in order to successfully sell that product. | Selling: The Personal Force in Marketing - Chapter 7<br><br>Industrial Marketing Management Chapter 9<br><br>Selling Section 2<br><br>Selling Today Part 5<br><br>Selling: A Self-Management Approach - Part 3<br><br>Introduction to Professional Selling - Part III |

# Selling



## Cluster Instructional Objective: EXHIBIT GOOD SALESMANSHIP IN EACH PHASE OF THE SELLING PROCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1978<br>Measure and evaluate the success of each selling step. | Point out to students that the successful execution of each selling step can be measured by whether or not a product or service was sold, and if so, whether the sale led to further business with the buyer, i.e., was the customer totally satisfied? If the salesperson's attempts do not lead to a final sale, it is sometimes possible to identify the failure(s) of the selling steps by asking nonspecific questions of the prospect. Have students brainstorm a list of questions which may reveal the specific mistakes or failures that lead to the unsuccessfulness of the salesperson to make a sale. | Selling: The Personal Force in Marketing - Chapter 7<br><br>Industrial Marketing Management Chapter 9<br><br>Selling Section 2<br><br>Selling Today Part 5<br><br>Selling: A Self-Management Approach - Part 3 |
| | Provide students with case studies to read and analyze which deal with salespeople failing to successfully execute one or more steps in the selling program. Students should indicate where the failure(s) occurred and write a solution for each case study. | |
| OTHER CLUSTER COMPETENCIES:<br><br>1975<br>1976<br>1977 | Point out to students that selling steps should be measured and evaluated even when a successful sale results. Have students discuss how this would be advantageous to the salesperson with regard to future sales. | |

# Selling

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF SELLING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1979<br>Interpret, understand, and implement company sales policies and practices.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1980<br>1981<br>1982 | Explain to students that a policy is a predetermined guide established to solve problems in advance and communicate foundations facts upon which subsequent decisions should be made. Policies provide for uniform behavior, continuity of decisions, communications, automatic decision making, and protection from expediency. Discuss with students the three major types of sales policies:<br>1) Product Policies--what to sell (relation to product objectives, product-line policy, etc.)<br>2) Distribution policies--who to sell to (policies on marketing channels, distribution intensity)<br>3) Pricing Policies--(policies on pricing relative to the competition and costs, uniformity of prices to different buyers, list pricing, use of discounts, geographical pricing, price leadership, product-line pricing, and competitive bidding).<br><br>If possible, obtain a statement of sales policies from several industrial firms for students to examine and discuss. Provide a list of questions about different subject areas covered by the policies for students to research. Discuss what results might occur if these questions were not answered by predetermined policies.<br><br>Have students prepare an outline of procedures they would follow to implement the policies presented in the above activity. Students should share their outlines with other students for a discussion of their feasibility. | Sales Management<br>Chapter 4<br><br>Management of the Sales Force<br>Chapter 2<br><br>Sales Force Management<br>Chapter 17<br><br>Selling: Principles & Methods<br>Pages 36-8<br><br>Selling: Principles & Practices<br>Chapter 22<br><br>Principles of Creative Selling<br>Chapter 22 |

# Selling



## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF SELLING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1980<br>Understand and apply sales budgets. | Discuss with students the definition of the sales budget--A Sales budget consists of estimates of an operating period's probable dollar and unit sales and the selling expenses involved in obtaining these sales. Point out to students the purposes of a sales budget:<br>1) Provides control of expense-revenue ratio<br>2) Acts as a coordinating mechanism<br>3) Provides a standard of performance<br>4) Serves as an evaluation tool.<br><br>Obtain and bring to class sample sales budgets for students to analyze and discuss. Students should identify the basic components of the budgets, and where the data for each component originated. | Sales Management<br>Chapter 18<br><br>Management of the Sales Force<br>Chapter 17<br><br>Industrial Marketing<br>Chapter 24 |
| OTHER CLUSTER COMPETENCIES:<br><br>1979<br>1981<br>1982 | Students should demonstrate their comprehension of sales budget application by providing solutions to case problems involving such things as unexpected increases in a budgeted item and forced budget cuts. | |

# Selling

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF SELLING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1981<br>Understand and sell within legal boundaries.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1979<br>1980<br>1982 | Discuss with students aspects of the legal framework in which salespeople must operate. Point out that salespeople cannot properly fulfill their company obligations without some knowledge of common business law that concerns their particular job of selling. Some aspects of selling that are affected by common business law include acting as an agent, understanding and negotiating contracts, conducting sales transactions, financing, and offering warranties and guarantees.<br><br>Discuss with students legislation concerning selling of which a salesperson should be aware, including:<br>1) The Sherman Act<br>2) The Clayton Act<br>3) The Robinson-Patman Act<br>4) The Uniform Commercial Code<br>5) State and Local Laws.<br><br>Have each student select one piece of legislation discussed in class, research it, and prepare a report to give orally in class.<br><br>Provide case studies regarding legal aspects of selling for students to read and discuss. Example: A salesperson sold outside legal boundaries which cost the company a great financial loss through litigation. | Marketing Today<br>Chapter 20<br><br>Selling: The Personal Force in Marketing - Chapter 23<br><br>Programmed Learning Aid for Principles of Marketing<br>Chapters 22, 23<br><br>Principles of Creative Selling<br>Pages 428-31<br><br>Selling: A Self-Management Approach - Pages 291; Appendix B |

# Selling



## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF SELLING.

### Competency

1982
Complete necessary reports--sales, expense, sales calls, etc.

OTHER CLUSTER COMPETENCIES:

1979
1980
1981



### Suggested Learning Activities

Discuss with students the various reports a salesperson may be required to complete, and why these reports are necessary. Reports that should be mentioned are:

1) Daily Itinerary Schedule
2) Daily Call Report
3) Call Report (for individual prospects)
4) Weekly Summary Report
5) Order taking system
6) Credit Report
7) Travel Expense Voucher
8) Car Expense Report
9) Entertainment Record
10) Sales Forecast Report
11) Time Study Report

Point out to students that the information reported by salespeople is important because:

1) There is the need to ascertain that the quality of the product or service is in keeping with company policy.
2) Sales managers need to keep informed about competition, what the competition is doing and what changes are taking place that might help the sales manager in meeting those competitive forces.
3) It aids in the proper deployment of sales strengths.
4) It gives the sales manager the necessary data to control and coordinate sales efforts around the country and within the various territories.

(Continued on next page.)

### References

The Standard Manual for Salesmen
Section 20

Management of the Sales Force
Pages 335-37

Sales Management
Pages 15; 482-91

Professional Sales Management
Chapter 9

Selling Principles and Practices
Pages 437-38

Introduction to Professional Selling - Chapter 12

# Selling

## Cluster Instructional Objective: ABLY PERFORM THE MECHANICS OF SELLING.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1982 (Cont.) | Obtain and bring to class samples of completed reports for students to review. Students should identify procedures for completing each, what information is required, where the information originates, etc.<br><br>Provide blank report forms along with hypothetical information needed to complete each form. Given case problems, students should complete the appropriate form(s) for each. | |

# Selling



## Cluster Instructional Objective: EFFECTIVELY PRESENT SALES PROMOTION PROGRAMS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1983<br>Understand and implement sales promotion programs. | Explain to students that sales promotions can be defined to include those items or activities which are used in direct support of personal selling efforts, excluding advertising. Those types of sales promotion most common to the industrial market include:<br>-trade shows<br>-catalogs<br>-samples<br>-promotional letters<br>-novelties<br>-entertainment.<br>Discuss each type listed above (providing samples, if applicable).<br><br>Provide students with several selling situations which would necessitate the integration of one or more sales promotion activities. Students should state the sales promotion they feel would best meet the needs in each situation, providing reasons to support their selections.<br><br>Have each student choose an industrial product currently being marketed, and identify a salesperson involved with promoting that product. Students should interview the salesperson to determine what type of sales promotion, if any, is being employed for that product. Students should share results of their interviews in a class discussion. | Industrial Marketing Management<br>Chapter 10<br><br>Industrial Marketing<br>Chapters 20, 22<br><br>Selling Principles and Methods<br>Chapter 7<br><br>Marketing Today<br>Chapters 14, 15<br><br>Foundations of Marketing<br>Chapter 14<br><br>The New Marketing<br>Chapter 17<br><br>Modern Business<br>Chapter 12<br><br>Introduction to Professional Selling - Chapter 13 |

# Selling

## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT BUYER TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1984<br>Effectively negotiate with buyers. | Review with students information about negotiation tactics presented in the Purchasing Section, competency #1629. Discuss how this information can be applied to the salesperson's position when negotiating. Point out that effective negotiation requires that the seller possess a positive attitude toward the buyer(s) and a complete understanding of the buyer and his/her needs.<br><br>Divide students into negotiating teams and have them role-play negotiation sessions. Other students should evaluate each salesperson's negotiation skills. | Industrial Marketing<br>Chapter 5<br><br>Selling: A Managerial and Behavioral Science Analysis<br>Chapter 23<br><br>Industrial Marketing<br>Strategy - Pages 60-8 |

OTHER CLUSTER COMPETENCIES:

1985
1986

# Selling



## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT BUYER TECHNIQUES.

### Competency

1985
Identify and relate to the buying influentials--those who influence the key decision maker in a sales situation.

OTHER CLUSTER COMPETENCIES:

1984
1986



### Suggested Learning Activities

Explain to students that, because of the technical nature of product purchases in industrial marketing, rarely does a single person decide what will be purchased and from whom. The actual number of buying influences for any particular product or service differs among purchasing firms and is determined by factors such as the following:

1) the size of the purchasing firm in terms of the number of departments, employees, etc.
2) to what extent the product is used--the more departments using the product, the larger the number of potential buying influences.
3) the dollar volume of the purchased product.
4) the technical sophistication of the company's purchasing personnel--less sophistication results in greater influence by other departments.
5) the technical background of the product--the more technical the product, the fewer people who understand it, thus, fewer influences.

Point out that buying influences may be formal or informal, or both. Some typical influences are plant engineers, production engineers, supervisors, foremen, quality control personnel, and sometimes even production line workers.

Have students brainstorm a list of ways that a salesperson or marketing manager can identify the buying influences in a particular company. Students should suggest possible repercussions that could result if these influences were not predetermined.

(Continued on next page.)

### References

Industrial Marketing Management
Chapter 4

Sales Force Management
Pages 68-70

Sales Principles and Methods
Pages 81-3

# Selling

## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT BUYER TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1985 (Cont.) | After giving students a description of the buying influences for a fictious industrial company, have each student write a brief summary of the ways a salesperson can utilize this information when attempting to sell a product to that potential customer. | |

# Selling



## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT BUYER TECHNIQUES.

### Competency

1986
Interpret and respond to buying procedures of government and non-profit agencies.

OTHER CLUSTER COMPETENCIES:

1984
1985



### Suggested Learning Activities

Explain to students that although techniques used by local, state, and federal agencies to purchase products or services vary a great deal, some factors common to each of these agencies can be found. These factors are significant in influencing the selling-buying process:

1) Annual budgets--sellers must induce decision makers to make budget recommendations for future purchases, long-term financing is not possible.
2) Decision makers--sellers are confronted almost invariably with a large number of influences.
3) Competitive bidding--purchases are often made on this basis.
4) Fluctucations in demand--as a result of political influences and world conditions, markets are necessarily tenuous and go through cycles of expansion and austerity.
5) Products' application to the private sector--many products have little or no application within the private sector.
6) Research and development--most contracts are let on a Request for Proposal (RFP) basis.
7) Title to patents--security must be considered, which slows work progress.
8) Procurement policies.

In the class discussion, have students suggest advantages and disadvantages of selling to government agencies.

(Continued on next page.)

### References

Selling: The Personal Force in Marketing - Chapter 19

Marketing Today
Chapter 7

The New Marketing
Chapter 11

Industrial Marketing
Chapter 4

Industrial Marketing Management
Chapter 3

# Selling

## Cluster Instructional Objective: RECOGNIZE AND DEAL WITH DIFFERENT BUYER TECHNIQUES.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1986 (Cont.) | Have each student choose a different aspect of government selling, research it, and prepare a report to give orally in class. Students should include in their reports ways that salespeople can effectively respond to that particular aspect of governmental buying procedures. | |
| | Discuss with students characteristics of non-profit markets which influence the selling-buying process:<br>1) The reputation of the seller-- non-profit agencies are dependent on government funds and private donations, thus, they are likely to consider only sellers with favorable, unimpeachable reputations in the community.<br>2) Decision makers--complex and diverse power structures exist.<br>3) Tight budgets--financing is difficult, and pressing for payment is not advisable.<br>4) Prestige of the account--increased share of business in the private sector.<br>Also discuss advantages and disadvantages of selling to non-profit organizations, and how a salesperson can best respond to each characteristic. | 460 |
| 459 | Provide case studies which involve a company selling to a government or non-profit agency. Students should analyze each case, and prepare a written solution for the particular situation. | |

# Selling



## Cluster Instructional Objective: IDENTIFY REASONS FOR FAILURES IN SELLING.

### Competency

1987
Accept selling failures.

OTHER CLUSTER COMPETENCIES:

1988
1989



### Suggested Learning Activities

Discuss with students the importance of a salesperson being able to accept selling failures. Point out that a nonsale does not necessarily mean a lost sale. Salespeople sometimes have a tendency to eliminate non-buyers from the prospect list after one unsuccessful call. However, many sales are closed on the second, or subsequent, calls. Therefore, it is important to handle negative responses in a professional manner.

Read the following statement to students:
"Next to making the sale, the most important thing to accomplish on a sales call is to 'leave the door open'."
Students should evaluate this statement, and indicate how a salesperson might "leave the door open."

Provide role-playing situations for students to present in which a salesperson either accepts a saling failure in a professional manner, or poorly reacts to a selling failure. Include situations where a salesperson resorts to unethical or illegal means in order to complete a sale. Other students should evaluate the salesperson's conduct in each situation, and discuss the effect it would have on possible future sales.

### References

Selling Today
Chapter 16

Selling Principles and Methods
Chapter 13

Sales Management
Pages 40-1

Selling: A Self-Management Approach - Chapter 9

Selling: The Personal Force in Marketing - Chapter 16

# Selling

## Cluster Instructional Objective: IDENTIFY REASONS FOR FAILURES IN SELLING.

### Competency

1988
Be able to analyze failures.

1989
Seek wisdom and skills to avoid repeating selling mistakes.

OTHER CLUSTER COMPETENCIES:

1987



### Suggested Learning Activities

Discuss with students the following possible reasons for selling failures:

Salesperson
1) Lack of Confidence
2) Guilt Feelings
3) Failure to successfully complete one or more steps in the selling process.
4) Wrong information, or lack of information about the prospect, the product specifications, the prospect's company buying policies, etc.

Prospect
1) Purchase must first be approved by others.
2) Prospect wants to look at competing products.
3) Prospect needs more time to gather additional information.

Have students identify additional reasons for a selling failure.

For each of the reasons for selling failures discussed in the above activity, have students suggest ways a salesperson could avoid recurrence of those situations.

Provide case studies involving a selling failure for students to analyze. Students should identify possible reasons for the failures, and suggest actions a salesperson could take in order to prevent future selling failures.

### References

Selling Today
Chapter 16

Selling Principles and Methods
Chapter 13

Sales Management
Pages 40-1

Selling: A Self-Management Approach - Chapter 9

Selling: The Personal Force in Marketing - Chapter 16

# Selling



## Cluster Instructional Objective: RECOGNIZE THE IMPORTANCE OF TRAINING PROGRAMS FOR SELLING SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1990<br>Discipline self to read, study, and apply new selling techniques for professional growth.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1991 | Point out to students that, because of the technical nature of industrial selling, salespeople must possess the knowledge and skills that will enable them to intelligently present products to buyers. Also, salespeople must keep up-to-date with new products and be adequately trained if they are to do an effective job of matching customer needs with their products. Discuss with students activities in which salespeople should participate in order to accomplish this. Some examples are:<br>1) Read general journals to become aware of new selling techniques, innovations, etc.<br>2) Read journals dealing specifically with the salesperson's particular type of industrial operation to keep up-to-date with competitors' activities, new products or product lines, etc.<br>3) Attend exhibits, trade shows, conferences, etc.<br><br>Assign each student a different area of industrial selling, i.e., agriculture, mining, transportation, construction. Students should identify a list of journals which a salesperson in that area should be aware of and read, as well as other specific activities that individuals should participate in which would aid in professional growth.<br><br>Have each student read an article in one of the journals identified in the above activity. Students should prepare a written summary of their articles and discuss how they would aid a salesperson in professional growth. | Selling: A Self-Management Approach - Epilogue<br><br>Selling: Principles and Methods Chapter 1<br><br>Selling: The Personal Force in Marketing - Chapter 1 |

# Selling

## Cluster Instructional Objective: RECOGNIZE THE IMPORTANCE OF TRAINING PROGRAMS FOR SELLING SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1991<br>Effectively work with others in training new salespeople.<br><br>OTHER CLUSTER COMPETENCIES:<br><br>1990 | Explain to students that a thorough training program is essential to familiarize trainees with the business operation and the related duties of the sales function. Training programs should be three-dimensional:<br>1) Knowledge of the product line, company marketing strategies, territory information, and related areas.<br>2) Attitude toward the company; the company's policies, products and services; and the customers to be served.<br>3) Skill in all areas of personal selling.<br><br>Discuss with students these methods of training sales personnel:<br>1) Lecture<br>2) Personal Conference<br>3) Demonstrations<br>4) Role-Playing<br>5) Case Discussion<br>6) Impromptu Discussion<br>7) Simulation<br>8) On-the-Job Training<br>9) Programmed Learning<br>10) Correspondence Courses.<br>Arrange for students to visit a local industrial firm to interview the sales manager. Students should obtain information regarding the methods employed by that firm to train salespeople. If possible, ask the sales manager to allow the students to sit in on a session for sales trainees at<br><br>(Continued on next page.) | Sales Management<br>Chapters 12, 13<br><br>Management of the Sales Force<br>Chapter 9<br><br>Sales Force Management<br>Chapters 13, 14<br><br>Industrial Marketing<br>Chapter 21<br><br>Selling: A Self-Management Approach - Chapter 3<br><br>Selling Today<br>Chapter 20 |

# Selling



## Cluster Instructional Objective: RECOGNIZE THE IMPORTANCE OF TRAINING PROGRAMS FOR SELLING SUCCESS.

| Competency | Suggested Learning Activities | References |
|---|---|---|
| 1991 (Cont.) | the firm, or participate in a role-playing activity or simulation used by the firm to train sales-people.<br><br>Have students identify the training method(s) they would implement for various sales-related situations which you provide.<br>EXAMPLES:<br>--Handling customer's objections.<br>--Training sales personnel about the technical and operational aspects of a product.<br>--Instructing new sales personnel about company history and policies.<br>--Explaining a complex sales call reporting system. | |

# Advertising

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 471 | | 472 |

# Advertising

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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# Communications

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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# Communications



Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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# Display

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| | | |

479

480

# Display



Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 491 | | 492 |

# Human Relations

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 483 | | 484 |

# Human Relations



Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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# Management

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 497 | | 498 |

# Management

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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# Marketing/Economics

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 491 | | 492 |

# Marketing/Economics

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 493 | | 491 |

# Mathematics

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 495 | | 496 |

# Mathematics



Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 497 | | 498 |

# Operations

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 499 | | 500 |

# Operations



Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 501 | | 502 |

# Product/Service Technology

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
| --- | --- | --- |
| 503 | | 504 |

# Product/Service Technology



Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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# Purchasing

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
| --- | --- | --- |
| 507 | | 508 |

# Purchasing

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| | | |

# Selling

Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 511 | | 512 |

# Selling

## Cluster Instructional Objective:

| Competency | Suggested Learning Activities | References |
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| 513 | | 514 |